

THE
ROUND TABLE
A Quarterly Review of
BRITISH
COMMONWEALTH
AFFAIRS

Contents of Number 177

THE CONFERENCE
THE NATURE OF THE COMMONWEALTH
REVIVING FRANCE
AFTER E.D.C.
REFORM IN BUGANDA
CRISIS IN PAKISTAN
DRAWN MATCH IN AMERICA
AUSTRALIA FACES ASIA

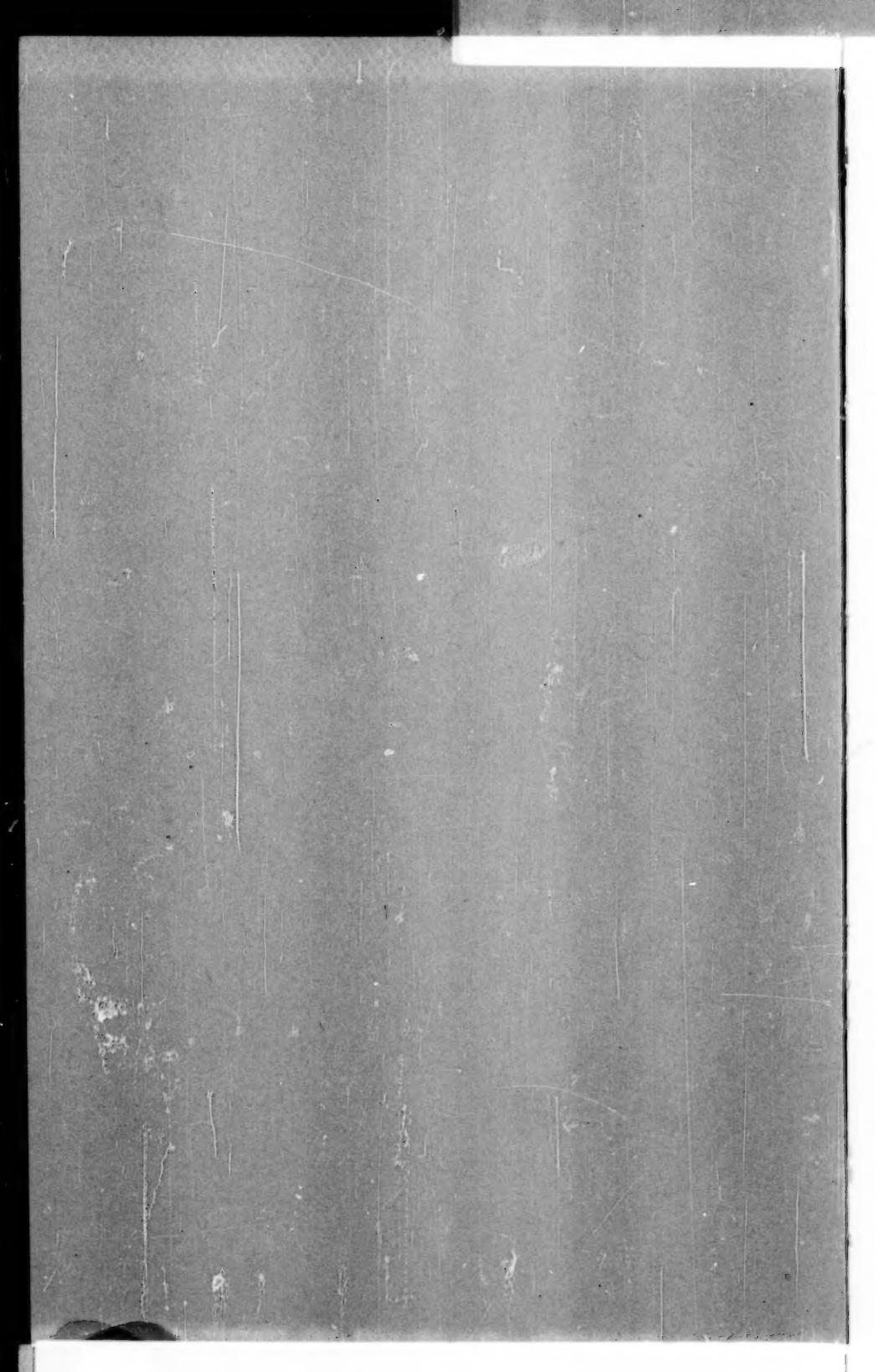
And Articles from Correspondents in

IRELAND INDIA CANADA SOUTH AFRICA
NEW ZEALAND RHODESIA AND NYASALAND
NORTHERN IRELAND PAKISTAN

DECEMBER 1954

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A QUARTERLY REVIEW OF
BRITISH COMMONWEALTH AFFAIRS

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THE CONFERENCE

A SURVEY OF THE CHANGING WORLD

THE meetings at irregular intervals of the Prime Ministers of the Commonwealth, which are the best substitute now obtainable for the old far-ranging and authoritative Imperial Conference, have by this time stabilized their own conventions. Most people have realized that the assembly in London next month cannot amount to a council of action. The Prime Ministers are not plenipotentiaries: they can discuss, and their discussions can be very fruitful, but they cannot decide. Action must remain to be determined in the separate Cabinets to which they will report back, and criticized by the Parliaments to which they are responsible. Nor is the conference a tribunal for the settlement of differences between members of the Commonwealth. Some of these differences naturally fall within the subject-matter it has to consider. It is certain, for instance, that the obstinate disputes between India and Pakistan, concerning the allegiance of Kashmir and the management of the canal waters flowing from one to the other, will be expounded by the contestants, but they have not given their colleagues any commission to arbitrate. If these and other contentions continue, as they will, not visibly tempered by the conversations in London, it will be no reflection on the success of the meeting.

The real usefulness of the conference is in the domain of information. Its task—the continuous task of all these conferences whether of the Prime Ministers or of their departmental subordinates—is to preserve the Commonwealth as an area of sanity in an hysterical world. To maintain the equable temper of mutual relations within an organism so loosely articulated the Commonwealth has to rely on the belief, which its history has hitherto justified, that so long as its members have the same vision of the facts in a given situation, they may trust one another to act upon the facts, if not in unison, at any rate in harmony. Thus the fullest and frankest interchange of information is the first step, and almost the only collective step, which can be taken towards the objective of giving the combined influence of the Commonwealth members its greatest possible weight in causing its shared ideals to prevail in international affairs.

The purpose of the London conference, then, is to make a new survey, for the benefit of all the Cabinets, of the state of the Commonwealth and the world since the Prime Ministers were last gathered together at the Coronation. Superficially, it is a world poised a little less precariously on the brink of utter calamity; some guns have ceased fire, some diplomatic debates have taken a cooler tone. It is for the Prime Ministers, combining their special sources of information, to judge whether these superficial signs correspond to any mitigation of the more deep-seated tensions which menace the human race. Their appreciation of the political climate in which they have to shape the future of their countries may be affected by one of the most remarkable public utterances of recent months, the sober and sombre review of the

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military situation which Lord Montgomery gave to the Royal United Services Institution on October 21. They must take it as a pronouncement from beyond the Commonwealth, for Lord Montgomery in his capacity as Deputy Supreme Allied Commander is outside the political control of the United Kingdom; though he said his opinions were "personal", they clearly reflected the considered view of S.H.A.P.E. Lord Montgomery described his theme as "a look through a window at world war three", and was concerned to strip his audience of any possible illusions about what any future general war must be like:

In trying to win the cold war one side or the other may miscalculate and bring on a hot war though neither side wanted it. I want to make it absolutely clear that we at S.H.A.P.E. are basing all our operational planning on using atomic and thermo-nuclear weapons in our defence. It is no longer a question of "they may possibly be used". It is very definitely "they will be used—if we are attacked".

A hot war, he went on to say, will have to be fought with the weapons we have got and in the way our forces are trained when it begins; and the mobilization system of an atomic age must be such that on national radio warning it is effective in a matter of hours rather than days. Its critical phase will be a world-wide struggle for mastery in the air and of the oceans, which we must win or perish. We have to face before long a situation in which the East has a sufficient stock of atomic weapons and the long-range means of delivering them. We must be sure that we are provided with the best air defences that scientists can give us; we must undertake a complete reorganization of the reserve armies of all the Western nations to meet the new conditions; and we require a sound Civil Defence organization in each national territory such as, in the Field Marshal's belief, no member of N.A.T.O. yet possesses.

These grim warnings indicate the military climate in which all the members of the Commonwealth have to prepare their contributions to the defence of the West. It is abundantly clear that the Western Powers, should war at any time be forced upon them, dare not shrink from being the first to strike with their atomic weapons—weapons, be it remembered, which are still exclusively controlled by one of their number which is not a member of the Commonwealth. Bearing in mind Lord Montgomery's analysis of the military possibilities, the Prime Ministers will need to inform one another what their countries, each in its particular association with Commonwealth and other friendly Powers, are committed to do, and are capable of doing, not merely in the first months but in the first days of such a war as he envisages. A survey of this kind, comprehending the obligations and resources of each, is the necessary background to any study of particular defence questions and of much else in the business of the conference; for there are few social and political problems nowadays in which the defence aspect is not a factor.

Cease-Fire in Asia

THE changes in the strategic and diplomatic map of which the conference has to take account are principally in Asia. Since the last meeting of the Prime Ministers the cease-fire has been sounded in Korea and in Indo-China;

and both countries are provisionally and precariously partitioned, with the possibility of further shifts in the internal balance between Communism and its adversaries when the electoral machinery comes into play. The South East Asian Treaty Organization has taken shape. The Turco-Pakistani Pact has been concluded. Persia has composed her quarrel with Great Britain and has reappeared as a supplier of oil to the world market. A date has been fixed for terminating the British occupation of the Suez Canal Zone. In Europe the long-planned Defence Community has collapsed, and been replaced by a new scheme for associating Western Germany with the defence of the West, which has been made possible mainly by the revolutionary undertaking of the British Government to submit the greater part of its fighting strength on land to the control of an international authority on the Continent.

The implication of these last two changes, which may reach very far, are for the Prime Minister of the United Kingdom to expound to his colleagues, and it is fortunate that, though presumably for the last time in these councils, the large strategic vision of Sir Winston Churchill can be applied to the theme. He will have to explain to what extent the new commitments on the Continent restrict the power of the United Kingdom to support its partners in other parts of the Commonwealth, balancing any loss against the interest of all in a new deterrent security against their involvement in general war. He has also to set forth the British Government's ideas for maintaining the vital lines of communication of the Commonwealth through the Middle East from other bases than the banks of the Suez Canal.

Moving eastwards, the new situation in Persia will also be for the United Kingdom Prime Minister to illuminate, but is not likely to give rise to any contentious discussion. The terms of the pact between Pakistan and Turkey, constituting an important new link in the chain of Western defence round the rim of the Communist Empire, should be worthy of close study. Pakistan's acceptance of aid from the United States may not now be a cause of such pronounced disapproval in India as when it was first proposed; but like every element in the external relations of Commonwealth members it is appropriate for consideration at the conference, which by giving the two neighbouring countries an opportunity to explain their different points of view may help to reduce the area of misunderstanding. The crisis which has interrupted the process of constitution-making in Pakistan is of purely domestic concern; the Prime Ministers, however, possess among them a wealth of experience in the working of federal institutions, which will be at the disposal of Mr. Mohammed Ali should he wish to ask for friendly and confidential advice on any of his constitutional problems. The background to the crisis is the subject of an article by a Pakistani correspondent in the present issue of *THE ROUND TABLE*, which was written after the dissolution of the Constituent Assembly but before the Prime Minister embarked upon his bold plan of breaking down the boundaries between the provinces of West Pakistan.

In exploring the state of Commonwealth interests in the Far East the leading voice must be accorded to Australia and New Zealand. In the

Western Pacific, and all along the eastern seaboard of Asia from Korea to Singapore, their stakes are greatest and their interests the first to be considered. They will no doubt lead any discussion of whether, in a matter where the policy of the United States will be decisive, the influence of the Commonwealth Powers is best directed towards the unification of Korea—which is a very remote objective while Mr. Syngman Rhee remains in authority—or whether to acquiesce in the present cease-fire line as a practical frontier between the Communist and anti-Communist alliances in Asia.

The vexed question of the recognition of the Communist Government of China cannot fail to be raised, though this again has to be regarded primarily as a phase of the relations between the United States and particular members of the Commonwealth. New Zealand still withholds recognition; but Mr. Holland, without committing himself in any way, has sent a High Commissioner to London who has publicly advocated a reversal of that attitude, which appears now to be maintained solely in deference to New Zealand's American ally. The two southern Prime Ministers may be expected to give the conference some appreciation of American policy in China as it affects their security; there is no doubt that both would feel relieved of the most obvious threat to peace in their region if an American pledge could be given that the Nationalists in Formosa would be restrained from adventure on the mainland. There will be many to hope that the formal alliance between United States and the Chinese Nationalist Government, concluded as *THE ROUND TABLE* goes to press, is intended among other things to stabilize the military situation and discourage irresponsible action in this inflammable region.

More positive, and more valuable particularly to Australia, would be a definite American commitment for the defence of South-East Asia, but this was not obtained at Manila and for the time being the security of the Commonwealth has to be planned without it. The corollary at the conference will naturally be a joint calculation by the United Kingdom, Australia and New Zealand of the military needs for the defence of Malaya, leading to an understanding between the three as to the strength of the forces each will undertake to maintain in that region. These commitments abroad are a new thing for both Dominions, and the conference may wish to inquire how confident their Governments are of the support of their Parliaments and electorates for a policy which may impose the obligation to compulsory military service overseas.

In a different and very technical domain, Mr. Menzies may be expected to set forth Australia's claim, which is opposed by Japan, to sovereignty over the whole of its "continental shelf", and by consequence to the exclusive control of the pearl fisheries thereon. In so far as this claim is to be pressed by political, as opposed to judicial, arguments, Australia may ask for the support of the United Kingdom; nor does there seem any reason why it should not be given, provided that the case is clearly distinguished from the revolutionary claim advanced by Peru and other South American republics to a monopoly of the whale fisheries far out on what have hitherto been internationally regarded as the high seas. No power has a more vital interest

than Great Britain in the freedom of the seas in time of peace, and should the question arise Sir Winston Churchill will presumably leave no doubt that this is the starting-point of British maritime policy.

Unknown Quantities in Africa

OVER the African share in the conference a question-mark hangs, for at the time of writing it is not yet known who will come as Prime Minister to represent the Union. The claim to transfer of the High Commission Territories may be mentioned, though there is nothing new to say about it. It is inevitable that the Nationalist Government should be told that in raising this claim they will be asking for something that Parliament in Great Britain will hold incompatible with the conversion of the Union into a republic, possibly outside the Commonwealth.

Elsewhere in Africa the movement of constitutional advance raises questions of principle of which the Prime Ministers are bound to take cognizance. The time is now in sight when colonies wholly governed by men of their own indigenous peoples, the Gold Coast leading the way, may be released from the last vestiges of control from Whitehall, even in their external relations. Incidentally, their rapid advance constitutes a challenge to the Federation of Rhodesia and Nyasaland, from which of late have come disturbing reports of a regression towards a consolidation of the social and industrial colour bar. In the controversial circumstances in which the African objections to the creation of this new state were overruled, Sir Godfrey Huggins will owe his colleagues some reassurance that his country will not lag behind the Gold Coast in the liberal treatment of race relations.

But deeper issues of the structure of the Commonwealth itself are raised by the prospect of full emancipation of African and other colonies. Hitherto the abdication of control by the suzerain Power, leaving a former colony in the position of a sovereign state under the Crown, has automatically raised that state to equal membership of the Commonwealth partnership. It was by this negative process that each of the existing partners, from Canada to Ceylon, reached its present status; there was no positive act of association with those which had gone before. The more the group expands, however, the more evident is its right, if it wishes, to exercise some collective regulation of the terms of its own membership; and as new sovereign states emerge from tutelage the fact, regrettable as it is, that some members may be reluctant to accept them as equal associates must sooner or later be faced. It is best that attitudes should be made clear now, if only in the privacy of the council chamber, before the necessity to pronounce upon a particular case makes a dispassionate consideration difficult.

The suggestion, or the fear, that some members would like to move towards a "two-tier" Commonwealth has some bearing upon recent criticisms of the present organization of government departments in London. The recent objection of Malta to its position among the colonies administered through the Colonial Office, its application to be transferred to the Commonwealth Relations Office, and the counter-offer from London to place the island, as a unique colony, within the jurisdiction of the Home Office,

indicate the way feeling tends in some parts of the Empire. If the prestige of a state in the Commonwealth is felt to depend on which of several departments in Whitehall handles its relations with the Crown, serious embarrassments may lie ahead. Whether the solution is to redistribute all these relations, ignoring differences of size and status, so that an Asia Office of the United Kingdom deals with Commonwealth states in that continent, from the Republic of India to the Protectorate of Aden, and similarly an African Office deals with both the Union and Tristan da Cunha, is by no means clear; it might well be considered by the Prime Ministers.

Finally there are large and obscure questions of whither the Commonwealth as a whole is tending, and how it should be steered, if indeed in the absence of a single command it can be steered at all. A writer in this issue draws attention to several of these questions, notably one: can the coherence of the Commonwealth be indefinitely maintained, on the present basis of complete informality in the mutual relations of its members, in the military and diplomatic conditions characteristic of the present time, when each member is impelled to contract so many precise and binding commitments to friendly states outside the Commonwealth? Searching questions such as this may not lend themselves to formal inclusion among the agenda of a conference; but they must often be in the thoughts of the leading statesmen of the Commonwealth, and it may be expected that personal contact between the Prime Ministers may help to illuminate them.

THE NATURE OF THE COMMONWEALTH

IS THE LIBERAL THEORY OBSOLESCENT?

IT is a happy and important fact that the first Smuts Professor of the History of the British Commonwealth at Cambridge should have served for some years as a civil servant. Nothing has done more to restore realism and subtlety to political and economic comment since the war than the return to civil life of professors, business men, journalists and politicians who have seen, in their various war-time capacities, the wheels of government going round and the levers of policy adjusting the gears of interest. They are now keenly aware of the difference between political and economic science and political and economic practice, between the proposals of a draft and the personal decision that makes policy, between the smoothing and sorting technique of the committee and the explosive effect of creative thought. We ought to be much wiser in the conduct of our affairs, with all this experience and skill brought out from behind the curtain of Whitehall. We should see and hear much of the calm and practical wisdom that is displayed by Dr. Nicholas Mansergh, the new Smuts Professor, in his Inaugural Lecture, as good an examination of the spirit and title of the British Commonwealth as one could hope to find in thirty pages.*

But this is now 1954. Soon the war will be ten years off. To understand our limitations let us try to remember, those of us who are now middle-aged, what it was like to be young in 1928, ten years after the first war. And let us try also to grasp what extraordinary things have happened since 1945. Some of them are continually in our thoughts: the cold war, the emergence of China, the behaviour of Russia, atomic weapons; but besides these obvious things there are changes in the organization and practice of relations between nations which, so far as the Commonwealth is concerned, are the subject of Dr. Mansergh's lecture. Outstanding are the political relationship between the United States and Great Britain, working through personalities and channels that have been nowhere adequately described; the development of the North Atlantic Treaty Organization which brought both Americans and Canadians back into Europe in peace-time; the significant development of economic policy-making in the sterling area; the creation and successful working of a Commonwealth Division in the Korean War; the thrusting forward of India and Pakistan as Powers with their own policies; the acceptance, without apparent protest from Commonwealth governments, of a new British commitment to Europe.

The Smuts Professor is, of course, concerned primarily with the history of the Commonwealth. Academic convention may demand that he should

* *The Name and Nature of the British Commonwealth.* An Inaugural Lecture by Nicholas Mansergh. Cambridge University Press. 2s. 6d. net.

describe and analyse the past rather than explain the present. If that is so, it will be a pity, for in his work at Chatham House he had devoted much time and thought to that kind of contemporary assessment of Commonwealth happenings which is so important. And one reader of his Inaugural Lecture at least hoped that he would allow himself to do a little guessing, to throw out a few prophecies about what is going to happen in that extraordinary community called variously the Commonwealth, the British Commonwealth, the British Empire. (Dr. Mansergh reminds us that in May 1949 Mr. Attlee said that there had been no agreement between members "to adopt or exclude the use of any one of these terms".) In fact, however, there is little more than a speculative page on relations between Commonwealth members and the United States, culminating in the striking and wise remark that "If the United States is not within, equally it is not altogether without the contemporary Commonwealth".

It is the argument of this article that such thinking about the Commonwealth runs two risks. First, there is the risk that those whose experience of policy-making, whether in national or in Commonwealth affairs, was gained in the war may continue to think for too long in terms of 1939-45. In the matter of Anglo-American relations, for example, this would be a serious mistake. Even today there are powerful persons in Downing Street who still think in terms of the war-time private line to the White House, although Mr. Dulles has been recently laying it down to his officials that America has no favourites among its allies. Secondly, there is a risk that too much attention will be given to what may be called the blood relationships of the Commonwealth and not enough to the in-law relationships. That is to say, we are liable to give too much attention to Karachi's relations with London at the expense of its relations with Ankara. The Turkey-Pakistan link, which may become of great importance for Middle East defence and political stability, is what is here called an in-law relationship. Likewise, we can give too much attention to the links between this country and Australia and New Zealand, and not enough to their special relationship to the United States as the Pacific Great Power. Lastly, in our satisfaction at the informality, mystery and resilience of the established links we may overlook the strong trend at the periphery of the Commonwealth towards formal, clear and rather rigid relationships and organizations.

The New Formal Commitments

LET us examine the last point first, for it embraces the first two. Dr. Mansergh points out in his lecture that the free character of the Commonwealth derives from the practice of parliamentary self-government, spreading outwards from Westminster. He also quotes with approval Lord Salisbury's view, taken in opposition to Joseph Chamberlain's idea of imperial federation, that the development of the Empire called for no legislation, and that nothing was more dangerous than to force a decision before a decision was ready. In other words, the growth of the Commonwealth has been stimulated by the lack of formal organization, by the absence of formal commitments. This is all certainly true and a matter for congratulation. But one has to ask

whether this is likely to be true for the future, whether already the circumstances that made possible such easy-going management of the family have changed. If they have, and if the response of the members of the Commonwealth to those new circumstances is also changing, then we shall have to be careful that the style of Commonwealth policy so far favoured does not hamper rather than help us in our judgment of the future.

We have to remember that throughout the period of most rapid Commonwealth development, say 1914-39, Britain itself, at the centre, kept its hands strikingly free. Indeed, it is fair to say that it was largely because of the wish not to provoke crises within the Commonwealth that British policy in Europe between the wars was so ineffective. For example, in the mind of a man like Geoffrey Dawson, Editor of *The Times* during much of this period, the need to keep in step with the Commonwealth appeared to be the main reason for not standing too close to France, for avoiding the ultimate consequences of collective security under the League of Nations. Now, only twenty-five years later, we have seen a Conservative Government throw aside, in a matter of days, the argument that Britain could not pledge troops for permanent retention on the Continent because of its Commonwealth links. When it was clear that the whole post-war policy of European integration and rehabilitation of Germany was threatened with collapse unless Britain changed its position, the position was given up. If members of the Commonwealth objected, nothing has been said in public of their views.

Here, then, is one important change in circumstances. Britain has accepted in Europe a far-reaching commitment which has hitherto been thought incompatible with its rôle in the Commonwealth. But this decision has been the product of a number of important changes. Since 1949 the United Kingdom has been bound under the Brussels and North Atlantic treaties to almost automatic action in case of attack on Western Europe. Just lately it has become less rigorously bound to less drastic action in South-East Asia by the Manila Treaty. It accepted instantaneously in 1950 the obligation to fight in Korea. It now has a chain of commitments, in association with the United States and others, that is almost continuous from the Channel to the Pacific. To that extent it is bound as it never was during the period when Commonwealth relations were taking their present form. What will be the effect on the informality and flexibility of these relations?

It can, of course, be argued that other Commonwealth countries have followed the same path. Canada is just as tightly bound with N.A.T.O. in Europe; it is even more closely bound by its special defence association with the United States. Australia and New Zealand have the A.N.Z.U.S. Pact with the Americans, and are now members of the South-East Asia Treaty Organization. South Africa took part in the Korean campaign and has explicit commitments for war in the Middle East. Pakistan has a foot firmly planted in the Middle East through its pact with Turkey, which is in turn linked indirectly to the Balkan Pact. In one form or another all these members of the Commonwealth have followed the fashion of regional organization, with its agreements in black and white, its regular meetings of delegates, secretariats, and joint *communiqués*. It is exaggerating only slightly to say that

members of the Commonwealth which have been refusing for decades to commit themselves to joint political and military arrangements with this country in peace-time are now becoming involved in just this fashion with countries over whose policy they can expect to exercise less influence than they have enjoyed in London. We need to think seriously about the implications of such facts as this: that whereas Mr. Nehru's views on Asian problems are treated with much greater respect in London than in Washington, American views on those problems receive as much, or more, attention in Canberra as do British views. More than one emotional triangle is to be seen building up in the Commonwealth as a result of new groupings of powers.

Warning to Aggressors

OF course, the situation in which these organizational developments have taken place in the last seven years is new in the history of the Commonwealth. It is only quite recently that statesmen and voters everywhere have begun to accept the view that any future major war must be a global war. And much of the new trend is due to the determination of most Commonwealth members never again to leave a possible aggressor in doubt about their intentions. N.A.T.O. and S.E.A.T.O. are designed not only to provide immediate and concerted response to any political or military threat, but also to deter any power with expansionist ideas. It could, therefore, be argued that much of this new organization is not permanent, just as many Frenchmen maintain that N.A.T.O. need not be permanent. A long period of peace might render all these links rusty or embarrassing, especially if governments find that priority in the Soviet and Chinese markets is reserved for those countries which are not conspicuously in the American camp.

But even if the importance of these regional bodies should diminish with time, it is difficult to believe that ten years of association with N.A.T.O. will leave Canada's relationship to the Commonwealth unaffected, or that Australia's connexion with the United States in S.E.A.T.O. and the A.N.Z.U.S. pact will not pull it increasingly away from its old strategic commitment in the Middle East towards a new rôle in south-east Asia. Whether the Commonwealth will gain by the experience it is hard to say. Certainly it will become no easier for Britain to speak in world affairs as if the Commonwealth itself were some powerful collective body. The optimism on this point displayed by Sir Oliver Franks in his Reith Lectures surely needs qualification.

We should not overlook some of the negative effects that result from the trend towards regional organizations. It is clear, for example, that India and Ceylon wish to keep out of such bodies, at any rate in peace-time, and hope to find a third position apart from the Communist-free-world alignment. This exposes them to special solicitations from China, the very Power against which S.E.A.T.O., with its four Commonwealth members, is directed. It will need all Mr. Nehru's ingenuity to devise a formula, if any formula is desired, to define a Commonwealth attitude towards China. And if Peking and Delhi find it possible to reach some agreement about spheres of interest and security guarantees on the lines that Chou En-lai has suggested, then we shall have the spectacle of the largest single nation of the Commonwealth

disagreeing profoundly with the other members in its appreciation of what is needed to keep the peace in southern Asia. For we need not expect those governments whose interest lies primarily in working with the United States to follow Mr. Nehru's lead so long as American policy towards China remains hostile and suspicious.

This brief reference to the problem of China and India invites the comment that it all goes to show how much better it would have been to avoid all regional groupings and rigid commitments. Perhaps it would have been wiser to do so, especially in Asia, and perhaps the Labour Party's attitude to S.E.A.T.O. will prove in the long run sounder than the official one. But the fact remains that the fashion of rigid commitments is a product of the growing independence of Canadian, Australian, New Zealand and Pakistani foreign policy and of America's post-war leadership. We cannot, indeed we should not, regret it; but it is important to have no illusions about it. We must not let our affection for the liberal theory of the Commonwealth blind us to the fact that it is being submitted to new strains, and that, in quite paradoxical fashion, the relations built up between Britain and another Commonwealth member through a regional organization like N.A.T.O. may be closer and more formal than anything that they allow themselves to create outside the organization.

Nuclear Power

THERE are similar, perhaps more important, possibilities on the horizon. What, for example, is to happen in the field of atomic development, industrial as well as military? Suppose that something comes of the Eisenhower plan for the pooling of atomic knowledge, materials and technicians? Is Britain to support a broad plan of this kind, with all its unpredictable consequences, or should it try to develop a Commonwealth scheme? Presumably other members of the Commonwealth, even India, might feel that the Americans would be able to offer more than the British could, and that political considerations should take second place to economic benefits in this matter. If they do, then the United States will exercise on the Commonwealth an attractive force far stronger than anything we have yet experienced. On the other hand, the prospect in the military sphere may be quite different. If Britain is to be the only Commonwealth country capable of making and using atomic weapons for offensive purposes, then its military power could become as decisive in the Commonwealth as it used to be in the days of the Royal Navy's supremacy. And if the Americans remain as secretive and exclusive in their atomic strategy as they have been hitherto, it seems certain that the Commonwealth countries will in fact have to rely on this country for advice, information and leadership. Again, if that is to be the case, then it is difficult to believe that present methods of consultation and planning for defence within the Commonwealth, as distinct from the various regional defence organizations, will be adequate. To put the point in a different way. If the threat of global war has already transformed the attitude of Commonwealth governments to the need for formal commitments and organizations, how much greater must be the effect of growing understanding that any

future war will be fought with nuclear weapons which only one member possesses? And what is to be said in future years about the fact that the only offensive power available in the Commonwealth for such a war is to be based in the territory of Britain, its most vulnerable member?

It is difficult to believe that such considerations are not worrying someone, though it is not clear whose business it is to think about them. They should be brought to the notice of the Commonwealth Prime Ministers when they meet in London at the end of January, even if it proves impossible to secure any agreement on them. And it is to be hoped that all those whose business it is to study and expound the workings of the Commonwealth will encourage discussion and speculation about the future of its internal relations and about the effect on them of American policy. We should not overlook the significance of what has been happening in Western Europe. There it was seen by those who produced the plans for the E.D.C. and the Coal-Steel Community that economic and technical factors are forcing nations into ever closer association. But when the politicians and the peoples were confronted with the machinery of the technocrats they did not like it. They are now seeking through Western Union looser forms of association and co-operation. But whenever a practical, technical or military problem comes up (for example, the control of German rearmament), they find themselves immediately forced to consider more rigid and clearly defined groupings and arrangements. The political wishes of democratic countries and their technical needs are coming into conflict, and we should not pretend that the Commonwealth can ignore the possibility that the conflict will threaten its most cherished habits.

REVIVING FRANCE

THE LONG STRUGGLE FOR RECOVERY

IT is no more than a facing of facts to realize that in the post-war era, and particularly in recent years, France has come to be regarded as the least satisfactory of the European family of nations. She was, it is admitted, gravely stricken by the war, but so were Germany, Italy, the Low Countries and Great Britain, and the economic and general recovery that they have made exceeds—or anyway seems to exceed—what the French have done. The timidity of her governments and indecision of her Parliament has contributed to the now widespread feeling that the French have failed to measure up to the realities of the modern age; the three-year delay over a decision about the European Defence Community treaty is the most outstanding example of this. In an attempt to explain these short-comings, political and economic analysts have pointed in turn to the inadequacy of French institutions, to the time-encrusted habits of French farmers and industrialists, or more generally to the moral weariness which, together with supposed machinations of scheming politicians and their parties, quickly extinguished the bright hopes of a new, braver, fairer France that had been kindled by the experience of the Resistance and the Liberation. All these factors have indeed played their part in the post-war history of France, but the important thing is that none of them can or should be separated from the others. For to a degree perhaps not present in other countries the French scene can only be explained and understood if economics are related to politics and politics to a sort of mass psychology, represented by the mood of the French electorate at any given moment. Such a process requires in the first instance an examination of the premiss itself: is it in fact true that France's recovery has lagged far behind that of other nations?

Politically, there is no doubt that the results have been disappointing. The instability of French governments is perhaps more disquieting to opinion abroad than it is to French people, who are used to it and who can even point to a broad underlying stream of continuity that is often absent in a two- or three-party system. But instability apart, many Frenchmen now admit that the Constitution of the Fourth Republic, far from being an improvement, is in many respects inferior to that of the Third. Fashioned at a time when the Communists were in the ascendant, the Constitution consecrates the dangerous system of rule-by-Assembly without adequate checks and balances. As M. François Goguel, one of the acutest observers of the French scene, puts it: "the Assembly continually has the Government at its mercy, while the Government can apply to the Assembly only the instruments of persuasion". The Constitution does in fact contain a provision for dissolution of Parliament in certain circumstances, but it is vaguely worded, has never been invoked and looks like remaining a dead letter. Thus while the Cabinet is responsible to the Assembly, the Assembly, at least for the five years of its

mandate, is responsible to no one. Such a system tends to lead either to *immobilisme* (a government keeping itself in office by agreeing to do nothing that would annoy anybody, such as the Queuille coalition in 1948-9), or demagoguery (a government bidding, often against the national interest, for sectional support, such as M. René Mayer's purchase of Gaullist votes in January 1953 by quite irrelevantly linking the issue of the Saar with that of the European Defence Community treaty).

Not only is the executive weaker under this Constitution than it was in the Third Republic, but the task of governing has become even harder by reason of the excessive "fragmentation" of the political parties. French opinion, both in Parliament and in the country, has always had this tendency, but at least under the Third Republic the parliamentary groups were divided broadly into "Right" and "Left" wing *blocs* and were capable, more or less, of governing the country and, what is just as important, providing for an alternative Government. Now, however, with the possible exception of "laicism" (State aid for Church schools) the majority upon which a Government must depend shifts with practically every question. This is especially true where economic and social policy is concerned. It is not a simple coincidence that French governments fall or resign, not on issues of great international importance, but because of disputes within the coalition over such things as £400,000 worth of additional salaries for State employees (e.g. the fall of the Bidault Government in June 1950); nor is it a coincidence that there have been no less than sixteen different Ministers of Economic Affairs since the Liberation—more than for any other portfolio.

Some attempts have been made to repair some of the worst inadequacies of the political structure. A very mild dose of constitutional reform, whose principal effect would have been to suppress the absolute majority of the Assembly at present required for the election of a Prime Minister, was voted more than a year ago by the Chamber and, after being stuck in a tortuous argument between the deputies and the Senators (the members of the Council of the Republic), now looks like becoming law. Many people claim that French political machinery can only be made to work smoothly after a real constitutional reform, involving such points as automatic dissolution of Parliament if there is an adverse vote against the Government (which many Frenchmen believe, mistakenly, to be the invariable English practice). But it may in fact be doubted how far the political habits of one country can be transplanted to another, and still more how far the inclinations of French parties would not combine to thwart or circumvent the most rigidly orthodox Constitution. Indeed, some of the trouble of the present Constitution is not that it is all wrong but that it has been misapplied or, in some cases, not applied at all. An overhaul of the rules of parliamentary procedure would seem to be at least as fruitful a field as constitutional reform; the excessive influence (and this is a legacy of the past) enjoyed by parliamentary committees dilutes responsibility, holds up legislation by encouraging "pressure groups", and deprives the executive of the power it ought to have over the French parliamentary equivalent of "Government business".

These structural faults make the task of government difficult enough, but there are also the hard facts of the post-war political situation to be reckoned with. Principal amongst these is a large *bloc* of Communist deputies (183 before the 1951 elections, 99 thereafter) sitting in perpetual opposition in the Chamber and thus hampering the normal swing of the political pendulum. When more than 25 per cent of the total electorate of France votes for a party whose representatives refuse co-operation on any but their own largely unacceptable terms, the process of legislation and government is obviously severely handicapped. At the other extreme, there was up until quite recently an almost equally uncooperative *bloc* on the right, represented by the Gaullists. The latter have now split into different groups and some of them have entered the Government, but for a long time the balance between "right" and "left" (terms which are themselves misleadingly over-simplified) had to be kept by a coalition of the centre parties, a coalition that became increasingly artificial and stagnant. "You are condemned to stick together", M. Queuille, one of these "third force" leaders, once told his coalition, and the phrase damningly sums up the state of involuntary inertia in which France struggled for so long. The 1951 elections admittedly shuffled the cards in the pack, but soon afterwards came the European Defence Community treaty to paralyse and stultify internal political life, and to make it even more difficult than before for a government to find and keep a constant majority—for the E.D.C. divided parties in two just as it split families, friendships and individual consciences.

"Je m'en fiche"

THUS though the political record is sombre, there are various extenuating factors which explain it and at the same time reflect credit that successive French governments were able to accomplish even the feat of existing. For there has been another adverse entry in the balance-sheet, represented by the mood of the French people. French individualism and the French tendency to regard strong governments as not only unpleasant but actively dangerous are well-known characteristics, but since the war another and far less useful one has been added: in French it is called *je-m'en-fichisme* (I-couldn't-care-lessness). The links which in a democracy should connect, however remotely, the elector with the Parliament and Government that he or she has helped to choose seem here to have snapped completely, with the result that a form of national lethargy is blended, in the outlook of many Frenchmen upon public affairs, with a fiercely personal egoism that recognizes nothing save immediate self-interest. Along with this has gone a more or less widespread sense of national inferiority, often expressed, as is the way with complexes, by the opposite extreme of chauvinism towards other countries, Germany in particular. This is no doubt the legacy of the unhappy war years and also, to quote a phrase which Mr. Adlai Stevenson used in another sense, of the painful process by which France has to be "dragged, kicking and screaming, into the twentieth century". All these, it must be added, are generalizations to which there are countless exceptions, and in recent years especially there have been signs of a revival of French spirit, above all amongst the young. There was, for example, nothing timid or indifferent about the late Marshal de

Lattre de Tassigny, nor about the young French regular soldiers who formed the cadres of the French Expeditionary Corps in Indochina. But on the whole the mass psychology of the French people in the last ten years has not helped and has sometimes actually impeded the course of recovery. The sterile pessimism of the post-war writers, besides being bad art, has been a symptom of the *malaise*.

When the inquirer turns to the economic side of that recovery, he finds the facts to be not nearly so simple as they seem. To begin with, it is manifestly untrue to say that France has failed to effect an economic recovery. At the Liberation the picture was gloomy: about 2½ million prisoners of war, deportees and forced workers had been withdrawn from the labour force, of which they formed about 12 per cent; marriages and births were declining and deaths rising; 455,000 of the 12½ million houses had been completely and 1,700,000 partly destroyed; of the 43,000 kilometres of permanent way in use in 1939, 18,000 kilometres only were workable; the ports and harbours were smashed, 65 per cent of passenger vessels and 68 per cent of tankers and cargo ships had been lost. In all, the total capital loss, expressed in 1938 values, was calculated at 334.3 milliards of francs.

The distance covered between that time and today must be apparent to any tourist motoring through this fair land. Out of the mass of statistics available, one or two of the more striking may be selected to measure that distance. Thus on a certain day early in 1949, less than five years after reconstruction work had begun, the nationalized railway company could announce that all over the vast network of its restored lines not a single train was one minute late in running schedules. Taking 1950 as the year in which industrial production reached 100 (compared with 82 in 1938), the figure by 1953 had reached 114 (the corresponding figure for 1953 in Germany was 139 and the United Kingdom 106). In the field of public finance there has been remarkable progress: in 1938 ordinary revenue covered only 66 per cent of ordinary expenditure, while today it covers almost all ordinary expenditure—a fact which somewhat belies the popular notion that the French “don’t pay their taxes”, and suggests that it is the organization of the fiscal system rather than its total yield which is at fault. The deficit in the total trade balance had dropped from a monthly average of 13.7 milliard francs in 1946 and 19.9 milliard in 1948 to 4.3 milliard in 1953. With the introduction of the post-war social security scheme and the increased consumption a head of food—many hundreds of thousands of French people now eat meat three times or more a week, whereas before the war it would have been no more than once a week—it is arguable that the great mass of French people are as materially well off and well cared for as ever before, perhaps more so; though it should not be forgotten that “the collective situation of Frenchmen”, according to the Monnet plan report in 1952, “has improved more rapidly than that of the individual”.

But there are various darker sides to this picture which substantially alter its composition. Although one-third of the French people live directly from agriculture, and there are more cultivable hectares per inhabitant than in any country in western Europe, there is still a considerable foreign deficit on

account of food imports. Despite the urgent need for an energetic and long-term housing policy, building remains one of the trades in which productivity is lowest and costs highest—on an average, it takes 2½ years to build a house in France, and in 1952 three times as many “housing units” were built in the United Kingdom as in France, and in Germany four times as many. Above all, France has remained a highly protected economy, protected not only by tariffs and quotas from external competition, but, by means of a series of devices which favour various industries and interests, protected internally in such a way as to put economic efficiency at a discount. The result of this system of external and internal protection has been to make the structure of prices and profits largely arbitrary and to impede the development of productivity. With a total population that is increasing and a working population that is almost stationary, production can be increased only by raising productivity; and under the present system there is not much incentive to do so.

The truth is that French recovery after the recent war cannot be limited simply to a recovery from the effects of that war, but must be seen as an effort to cure a patient who has been ailing for a long time. Since the end of the first war the French economy has suffered a series of crises, some of them severe, and possibly only between the years 1926–30 (the “Poincaré experiment”) was there any real stability. From 1931 onwards the formation of capital was extremely small and in some years even non-existent, so that the economy became more and more decadent, and more and more inclined to be content with keeping itself afloat at its own low level.

Economic Trends in France since 1913

		Gross national product (constant prices)	Industrial production	Construction
1913	. .	100	100	100
1923	. .	100	88	58
1930	. .	125	140	137
1938	. .	106	104	52
1952	. .	134	143	71

The recovery effort after 1945 has indeed achieved the considerable feat of restoring things to at least their 1930 level, and in the last twelve or eighteen months, during which there has been stability of prices, still more promising progress has been made. But many of the effects of this recovery were offset or handicapped by inflation, and the task of reforming and modernizing the economy as a whole still remains to be completed. No one realizes this more than French economists, including M. Mendès-France himself. A report produced earlier this year by an official committee about the disparity between French and foreign prices traces the course of the protectionist and autarcic policies followed since 1931, and points out that this long record of restriction has brought to France neither an economic progress comparable with

that of the other countries nor a stable currency; in its conclusions, the report speaks frankly of an "overall economic disorder" in France.

The Monnet Plan

THE broad outline of these facts was of course known to M. Jean Monnet and his staff when, soon after the Liberation, the *Commissariat Général du Plan de Modernisation et d'Équipement* was established. The "Monnet Plan" was a skilful and courageous attempt to rehabilitate the whole economy, by means of careful planning and large-scale investment. It concentrated upon six key activities—coal, power, steel, building materials, agricultural machinery and transport—and took as its theme the increase of national resources and of productivity of labour. By the time that M. Monnet had left the Commissariat Général to become chairman of the Authority of the European Steel and Coal Community he was able to report that, in the five years 1946–51, 3,800 milliard francs had been spent on the plan and that many of its objectives had been met. Amongst the laggards, however, were agricultural production, tractor production, and the standard of living, which had not kept pace with increased production because so much of that effort had gone to non-consumer goods. None the less, what had been achieved was extraordinary: the huge capital investment programme had been financed as to 50 per cent by public funds raised from loans, 20 per cent by American aid, and less than one-fifth had come from the classic resources of liberal capitalism; the production of hydraulic power had doubled since 1938, the volume of oil refined in France had tripled, the production of artificial fertilizers had doubled, the number of tractors, though still insufficient, had increased by six times. By 1952 in all these sectors production had reached a level never before attained.

The trouble was that though this was indeed a magnificent effort, it did no more than help to efface the effect of the years that the locust had eaten, and at a time when other countries were also making great strides in technical and industrial achievement left France still a long way behind in modernization, in standard of living and in the capacity to compete freely upon the world's markets. As the first Monnet plan developed, so sectional interests began to develop too; it was said that the plan favoured the nationalized industries—e.g. the railways—more than the private sector, and the chronic deficit in the national budget led to frequent demands for reduction in investment credits. Moreover, the plan and the whole French economy were engulfed, to a far greater degree than other countries, by the world-wide inflation that followed the Korean crisis. By 1952 the most unsatisfactory position had been reached where, though the authorities recognized the need for France to increase her exports and maintain a high level of productive investment, they were also underlining the danger that increased production might set off a new wave of inflation. Since then, fortunately, prices and wages have been stabilized, the inflationary pressures have receded, and the second Five Year Plan has been launched. This foresees, over a period of four years, an increase of 25 per cent in national production, and a total investment of 2,000 milliard francs, of which a large section is to go to agriculture. The 25 per cent increase in

national revenue will be partly absorbed by the reduction of the budget deficit and by the increasing population, so that the annual increase in the standard of living over this period is likely to be no more than about 2-3 per cent. It is very doubtful in fact how far this second plan will be effective in anything but its enunciation of certain broad and unexceptionable principles. The era of this quasi-Soviet-style planning, with its emphasis, in a time of scarcity, on key sectors of the economy, is now over, and the task of encouraging and providing for expansion has passed to the executive and to private industry itself. Thus M. Edgar Faure's eighteen-month plan, now taken over and developed by M. Mendès-France, largely replaces the second Five Year Plan for the shorter-term objectives of an expanding economy, while the long-term requirements, such as modernization of the whole economy, become, as is fitting, the business of the Government and of Parliament. Provided there is no great international complication it would seem in the short term that the French economy and the legitimate standard of living are bound to continue expanding; but whether this will be accompanied by a blowing-away of the dust and stagnation of the last half-century, in such a way as to make France really competitive on world markets, can be no more than a speculative point.

War in Indochina

UP to now, this survey has tried to show how faulty political institutions, a certain lack of national resolve and a legacy of economic decadence dating from long before the last war made recovery slower and more difficult in France than elsewhere. The time has now come to look more closely into certain of the difficulties and handicaps. High up on the list must come the Indochinese war, about which a good many indiscriminate words have been spoken. It is not true that France was bled white by this struggle, which started off as a colonial war against nationalist rebels and ended up, according to the turn of the political wheel, as a shining crusade against the common enemy. Over seven years it is probable that more people got killed on the roads of France than did French soldiers in Indochina. Nor is it wholly true that the war was a perpetual financial burden. From 1951-2 onwards U.S. aid began to play an increasingly large part in financing the war until this spring, shortly before the Geneva conference put an end to the fighting, the U.S. was paying nearly 80 per cent of the cost of the war—and paying it, for a large part, in dollars which passed through the French Treasury and thus helped the ordinary balance-of-payments problem. What was true, however, was that the losses suffered bore disproportionately upon the cadres of the regular French officers and N.C.O.s, who instead of dying in a war in which vital French interests were increasingly less involved, should have been training French divisions in France. For this reason, and for the wider one that as the war went on with no sign of ending so French opinion became generally dejected and disgusted, it is impossible to assess the impact of the war upon the French economy in purely budgetary terms. That impact was certainly responsible for a good many of the fears and hesitations about German rearmament, and responsible also for a widespread feeling, which sprang from the heart more than from the head, that it was unjust to expect

a country saddled with such a burden to make excessive efforts in other directions.

Another problem of a more general kind has been, and is still, what exactly a government supported by a shifting parliamentary majority can do in the way of attacking those entrenched positions of special interests which bar the road to progress. There is, of course, no need for others to be smug over this matter; every country has these areas of vested interests, and after the refusal, at a time when the labour force in the pits was inadequate, of the English coalminers to accept in their midst a few thousand Italian immigrant miners, it would be unseemly to deliver lectures to the French about unenlightened self-interest. But the fact remains that in France the process of resisting change because it is going to hurt one personally has been carried very far indeed. This is partly because there are so many more people here than elsewhere who will be hurt by change. Everybody knows about the general pattern of the French trading and distributive system—a mass of small businesses, employing only a few people, a mass of intermediaries, coming between the farmer or producer and the consumer and making the product needlessly expensive. This is particularly true in the food distributive trades. A fascinating series of articles which appeared recently in *Le Figaro*, under the title of "The Tribulations of a Tomato" showed, step by step, how a kilogram of tomatoes grown in the south of France cost 10 francs to grow (allowing for the farmer's profit) and was sold in Les Halles at Paris to the housewife for 60 francs. Again, last year the price of meat, on the hoof, fell by anything between 20 and 40 per cent, but this considerable and very welcome decrease was scarcely noticeable in the shops in Paris. Clearly the whole system needs streamlining and modernizing, for the share of the distribution sector in the national income is higher than in any other country in Western Europe. But where is the political party bold enough to attack the 2,250,000 shopkeepers and traders (nearly 250,000 more than before the war)? And what is to be done with those who are put out of business? The programme—for most French economists are agreed that something must be attempted—is essentially a long-term one, demanding the creation of other trades and occupations and, to a large degree, demanding also a change in habit and temperament on the part of millions of Frenchmen.

Maladies of Agriculture

IN the same line of thought, it is easy to see what is wrong with French agriculture, but far harder to ensure that it be put right. There is, of course, far too much easy generalization about French farming which, in a country with as many differences in climate and vegetation as France, it should be impossible to generalize about. But broadly it is clear that a great deal of French farming could be made more productive by modern methods, and that the chief obstacle to the adoption of these is not so much ignorance or disinclination as the excessively fragmented nature of the holdings. Not only are farms small in terms of total area, but one holding can be scattered and dotted about like the disconnected bits of a patchwork quilt, thus practically precluding the use of modern farm machinery. Nearly 80 per cent of farms and hold-

ings are less than the area of 50 acres which is considered the minimum on which to work a full-time tractor economically, and more than half are less than 25 acres. The size of the farms probably cannot be altered; indeed, it is arguable that the fact that 65 per cent of farms belong to the men and families who work them is an exceedingly important social factor, conducive to the stability that derives from healthy vested interests. But the fragmentation, which is the result partly of French inheritance laws, can be and has been attacked by means of the *remembrement* (regrouping) programme, foreseen under the first Monnet plan. This, in a free democracy, means nothing less than persuading traditionally conservative and sceptical peasant owners that it will be good for them and the community at large if they will agree to consolidate their chequer-board holdings by exchanging title-deeds, agreeing to the removal of hedges, ditches, coppices, &c. It speaks much for everyone that of 10 million hectares (25 million acres) urgently in need of *remembrement*, about 2 million hectares have so far been transformed—at an unavoidably high cost. Another difficulty facing the reformer in agricultural France is that of marginal land or land given over to monoculture. The four departments that make up the old province of Languedoc are a case in point. Here the staple crop is vines, producing large quantities of red and white wine of undistinguished quality, which not only fail to bring their growers an economic return but contribute to the new chronic problem of over-production of wine. One solution—and it is one that various governments have tried to put into effect—would be to decree a reduction in the total area of vines grown. But what, in that case, are their growers to live off, what other crop can this unfertile land produce? However clear the remedy, it is a problem that neither from the agricultural nor the social and political point of view is easy to solve in practice. Indeed, this is true of almost every aspect of French economic shortcomings. The difficulty was perfectly illustrated in the report of high prices, referred to earlier, one of whose conclusions was that governmental stability is essential if the French economic house is to be set in order; a member of the committee, asserting the right, as it were, of every Frenchman to decide that everybody else is in the wrong, pointed out in a footnote the awful consequences of a stable Government with a “badly conceived or badly applied economic policy”.

The Permanent Endowments of France

YET having said all this, having noted the difficulties of governing the French and the particular post-war situation and needs of the country, it is still permissible to take with several grains of salt the analysis of those who would have us believe that nothing good at all has come from the Fourth Republic. To begin with, it exists; a France torn by the dissensions of the occupation and at times threatened by the openly insurrectional nature of Communist designs has kept on the rails, without showing any serious signs of running off, either to right or left. Its governments have admittedly been weak and unstable, its Parliament irresolute, sometimes almost impotent. But in spite of this, the leaven of good sense and wise administration has

been at work underneath, and the results are beginning to be visible. It is not because M. Mendès-France, able and persuasive though he is, has been in power for a few months that in many industries the record 1929 level of production has been exceeded, that the working week has risen to 45 hours against the legal level of 40 hours, and that the price of the *louis d'or*—a sure barometer of public confidence—has been almost halved over the last three years. Indeed, it is one of the least attractive features of M. Mendès-France's very extensive public relations efforts to claim—or to make it seem as though he were claiming—the credit for a slowly expanding economy which is in fact the result of many years' work and development—including, naturally, a good many errors and misfortunes. As M. Raymond Aron has pointed out, in reference to M. Mendès-France's implied claim that a year ago the calendar for France stood at 1788 and stands so no longer now, either the sick man of Europe is a *malade imaginaire* or 1788 is bound to be followed by 1789. Having said that, it must at once be admitted that the present Prime Minister's economic thinking goes right to the root of French troubles and that, if he is allowed to continue in office, something not far short of a bloodless revolution may in time be achieved. Some time before assuming office he wrote:

the fundamental cause of the evil that overwhelms the country is the multiplicity and weight of the tasks that it tries to take on simultaneously: reconstruction, modernization and equipment, development of oversea territories, raising of the standard of living and social reforms, exports, the war in Indochina, a large and powerful army in Europe . . . one cannot do everything at the same time . . . to govern is to choose.

Similarly, he sees as clearly as anyone the need to end the protective and restrictive practices of French agriculture and industry, so as to make their products competitive on the world markets. The Government's plans for giving a new start to the housing programme, for "marginal" businesses, for ending subsidies for uneconomic businesses, for transferring and re-directing manpower to productive occupations, are all excellent in themselves—though it is a significant commentary that the National Assembly had to confess its own incompetence and vote powers to the Government to apply this programme by decree.

Though politicians can seek to put this or that result to the credit of themselves or their party, the real work of turning France into a modern nation can only be a protracted affair in which many people and forces must play their part. Undoubtedly the greatest resource that the French possess is their intelligence, an intelligence that may on occasions be misguided or may lead to a form of stubborn defeatism, but which rarely dwindles or ceases to burn with a hard and gem-like flame. If this source of energy and inspiration, the most developed of its kind in Europe and perhaps the world, can be turned to flow in one broad stream of more or less common endeavour, then there seems no reason why France should not again reach the level of some of her finest epochs. This perhaps is the true importance of the arrival upon the scene of M. Mendès-France: not his economic reforms, or his different approach to European affairs, but his capacity to awaken a new spirit of hope

and interest amongst his countrymen. "*Il faut l'admettre*", someone said recently to the present writer, "*il y a quelque chose de nouveau*". He was a man who would, one might think, be bitterly opposed to everything that Mendès-France is and stands for. It was all the more significant an observation for that; for despite everything that has been achieved, there is still plenty of room in modern France for new men, new methods and new ideas.

AFTER E.D.C.

GERMAN CO-OPERATION WITH THE WEST

THE end of E.D.C. and its quick replacement by the London-Paris agreement are often held to have affected the French and the German political scenes in different and, in fact, opposite ways. A great improvement in the French political atmosphere is contrasted with the growing difficulties and waning political influence of the German Chancellor.

Certainly, so far as France is concerned, the end of *immobilisme* has been received with much relief and even with appreciation of the French Prime Minister amongst men not generally friendly to him. It is one of the oddities of French political life that amongst these must be counted many of the Radical Socialist party to which M. Mendès-France belongs. The main reason for French approval is the commitment of Great Britain which Mr. Eden threw, in such dramatic fashion, into the scales of the London Conference when it seemed to approach deadlock. M. Spaak of Belgium, always conscious of history in the making, turned to M. Mendès-France after Mr. Eden's announcement: "You have won, after all."

Nothing infuriated the French, and even Britain's friends in France, more than some assumptions reaching them from north of the Channel. France, it was assumed, had to commit herself lock, stock and barrel to the Continent and to enter what at best would be an uncomfortable marriage with Germany while Britain, although willing to bless the union and even prepared to commit one division as a wedding present, was alleged to be quite unable to commit herself further in view of her Commonwealth and oversea ties. Long before it was generally admitted in Great Britain that the members of the Commonwealth were not opposed to, indeed welcomed for their own survival, a greater British commitment on the Continent, the French were sure of this. They also felt that France had colonial commitments no less than Britain and considered the French Union just as important to herself as was the Commonwealth to Britain. France's acute difficulties almost everywhere in her Union served to strengthen this feeling rather than to diminish it.

Many Frenchmen are convinced that the Anglo-Saxon Powers underestimate the potential dangers which may threaten from Germany. They hope that the direct and close contact which Britain will now have with the Continent may convince her that French fears are not solely the product of a national inferiority complex but are based on closer acquaintance. The Rhine has always been much less of a barrier to an understanding of political forces and national moods than has the Channel.

The solution of the Saar problem agreed on between M. Mendès-France and Dr. Adenauer is yet another reason for the more widespread French approval of the London-Paris agreements. The Saar, for the French, is mainly a means of diminishing the differences in coal and steel production between France and Germany. In 1953 Western Germany produced 125

million tons of coal and 15.4 million tons of steel, France only 53 million tons and 10 million tons respectively. But the Saar produced 16 million tons of coal and almost 3 million tons of steel, and Saar production is considered capable of rapid expansion if both industries are modernized. It is hoped that the stability which ought to result from the new agreement will enable the capital for such modernization to be found at last.

On the German side the change from E.D.C. to the London-Paris agreements looks at first sight not such an unqualified success, not least because of the proposed Saar settlement. The press has been full of the difficulties in store for Dr. Adenauer since part of his coalition may not be ready to follow him. There has also been a general consensus that the last election which took place in the *Land* of Schleswig-Holstein and which brought Dr. Adenauer's party, the C.D.U. (Christian Democratic Union), considerable losses compared with their great victory at the time of the Federal elections in September 1953, was an indication that his foreign policy no longer had the support of the vast majority of voters. Since elections to the *Land* parliaments in several other parts of Germany, in Hesse, Bavaria, Berlin and Lower Saxony, are going to take place soon, or may have taken place when this is read, a word about their importance may be useful.

It is never easy to attribute election results to one particular cause or influence, but it is at least permissible to doubt whether the losses of Dr. Adenauer's party do reflect a loss of confidence in his foreign policy. Even his famous victory in September 1953 may be explained both as support for his foreign policy and as approval for the economic well-being enjoyed by the great majority of inhabitants of the Federal Republic. In the *Land*tag elections the losses may be due to the swing of the pendulum against the party in power, and well-qualified observers are convinced that the outcome was affected by local issues, as indeed it should be in a *Land* Parliament election. For instance, the inhabitants of the west coast of Schleswig-Holstein felt that the *Land* Government, headed by a C.D.U. Prime Minister, had not done all it should to make good the ravages caused by the great storms which so disastrously affected also the Netherlands and England.

The outward and visible sign of the Chancellor's difficulties is the Saar settlement, which is opposed by the second largest party in the government coalition, the F.D.P. (Free Democratic Party or Liberals), and by the next largest, the B.H.E. (Refugee Party). It is important to remember that these parties accept the rest of the Paris decisions. Nor should we forget that the solution of the Saar problem had always been made a condition even for the acceptance of E.D.C. by the French. Thus this problem is nothing new for the Chancellor; he will not have too many difficulties in explaining it as part of a "package deal", the least pleasant part for Germany but one which can be made acceptable when the great strides forward in Germany's international status are considered.

Rearmament and Reunification

HOWEVER, Germany's relations with the West will depend on the answer to a question often asked in Germany just now: are the advantages

which Germany has gained at Paris real advantages? Here we meet the two problems of rearmament and reunification. Their tangled skein is difficult to unravel, but in order to understand what we may have to expect from the new and sovereign Federal Republic an attempt must be made. It is, of course, much easier to talk of "the" Germans and to consider them either as barbarian brutes or as the world's best soldiers, as occasion demands. But Western relations with Germany will not be put on a solid basis by the *terribles simplificateurs*. German attitudes to rearmament and reunification spring from many motives.

We have by now recovered from the surprise which most of us experienced when we learned during the last four years that Germans were by no means over-enthusiastic to answer the call to arms. There are three main arguments on which this reluctance is based, which are not made invalid by the fact that most Germans—whether they support or oppose Dr. Adenauer—demand as an integral part of the new sovereignty the right for Germany to rearm. It is one thing to say that if Germany is to be truly sovereign she must have the right to rearm and quite another for her to decide whether she wants to use this right. We need not consider this as proof of German dishonesty or prevarication. Since not one of Germany's Western allies denies her right to arm, the German demand belongs under present circumstances to the realm of political theory; but the hard political fact is widespread reluctance in Germany to make a contribution to the common Western effort. This reluctance stems from a general pacism, from violent objections to the way in which German soldiers were trained and treated in the past, from fears that German democracy is not yet strong enough to control a military machine which has in the past played such a different part in the political life of the German nation compared with that of the armed forces in this country.

First pacism: in Germany, as in France and Britain, the Left has always contained strong elements of emotional pacism, but in Germany today this goes much beyond the social groups who vote Left. This is not surprising. The remarkable recovery in German cities and in the German standard of living hide perhaps, but cannot wipe out, the impact of total war and total defeat. From 1943 onwards, first by air and then on land, Germans experienced the full force of modern war in their own country. It was to prevent this experience that the German High Command insisted in September 1918, against the wish of their Government, that Germany must sue for peace before the Fatherland was invaded. Hitler insisted on fighting until "five minutes past twelve" and German losses in killed and maimed were thus higher, both relatively and absolutely, than in the first war; millions of refugees from the east now in Western Germany are a further reminder that the last war did not pay.

Perhaps one other factor explaining this pacism should not go unmentioned. It cannot be said that Germany's new allies have proved themselves masters in psychology when dealing with German rearmament. The change in our attitude was too sudden, and while for the West this can be explained by the implications of the Korean crisis, for Germans, pre-occupied with their own problems and perhaps egocentric by nature, Korea was "a far-

away country about which they knew nothing". We switched almost overnight from considering every German who wanted an army as a militarist to considering every German who did not want one as a Communist suspect. This has made Germans doubt whether their contribution to defence is in Germany's interest or only in that of the Western Powers. And when allied statesmen, in order to reconcile their own reluctant public opinion to a German defence contribution, insist again and again that the West cannot be defended without Germany, such doubts are turned to certainty in many German minds that rearmament serves purely Western ends and is not a German interest. Of course, Dr. Adenauer and his supporters can and do adduce perfectly sound arguments to the contrary, but it is not easy to overcome resistance based mainly on emotion.

Such emotion is powerfully reinforced by Germany's geographical position. If war broke out, whatever the final outcome, Western Germany would be bound to suffer first. And, unlike many of us who fondly believe that the strategic term "Elbe Line" really means that the Iron Curtain runs along that river, Germans know their own geography sufficiently well to understand the military implications of Russia's dominating the western slopes of Germany's central mountains. The "Elbe Line" suggests to too many people here the Russians tucked comfortably away in Dresden, while in fact they dominate the Fulda gap, which means that their tanks are only a few hours east of Frankfurt on the Main.

Finally, not all Germans would consider free institutions and personal liberty worth fighting for. For while in science, industry and the arts Germany has been a leading Western nation, it may be disputed, to say the least, whether the dominant trend of the German political tradition is one which could be called Western.

On this basis is built the second German argument against German arms now. It is maintained that German democracy cannot afford an army until the last officer and N.C.O. of the old Wehrmacht are too old to serve. The methods of training and drill used in Germany up till now are considered to have been inhuman and not compatible with the self-respect of a citizen of a free country. These feelings have been epitomized in a book called *0815* which has been a best seller in post-war Germany; the film with the same title draws bigger crowds than did the film of the Coronation of Queen Elizabeth II, and for anyone who saw the German crowds trying to go and see that film this means something. "0815", the name given to the standard German machine gun because it was first issued in 1908 and improved in 1915, became the standard word used by German soldiers for those difficulties of military life for which British soldiers use standard sanguinary expressions. It is clear that those charged with the building up of the new German army under the leadership of Herr Blank and the very able Count Baudissin are taking the "0815" complex very seriously. A great deal of work has gone into the new shape of *das innere Gefüge*, that is to say training methods, the relations between officers and men, and the rights of the soldier as a citizen. As yet all this can only be on paper, but on paper it goes far. Indeed, Germans responsible for these reforms have been heard to complain that they are

encountering resistance to their new ideas, not only from German diehards but from some allied officers with whom they have been working together informally in Paris during the preparatory stages of the German contingent in E.D.C.

There is thus some hope that fears of the reintroduction of the old methods of the German army may prove groundless. German public opinion is at present sufficiently aroused to watch very sensitively over the spirit of the new German army. For those who fear, not without some reason, that public opinion may change there is another ground for hope. The men who are going to be in charge of the training of the new German army have come to the conclusion that modern war demands different qualities from those required before and that many old methods must be discarded if the new German soldier is to be efficient. It is not cynicism but an understanding of German realities which makes one feel that the views of the experts will prove effective even if public opinion will not.

The Army in German Politics

WHILE public opinion in the West may be forgiven if it does not get so excited over "o815" as does German public opinion, it would be a serious mistake on the part of the West to dismiss the last of the three arguments against German rearmament. This is that, given the German political tradition and given the place of the German army in politics, German democracy may be unable to survive side by side with the German army. There is some evidence that Dr. Adenauer himself considers this danger real; certainly one of his lieutenants who has since been elected Speaker of the Lower House in Bonn, made an impassioned appeal at Strasbourg—after E.D.C. had been killed by the French Assembly—for a German contribution to an integrated European army and against a German national army. Readers of Mr. Wheeler-Bennett's *The Nemesis of Power* will understand the force of these fears. Some people in the West like to argue: never mind German democracy; in face of the menace from the East, what we need above all is German soldiers. This view is a fallacious and a dangerous view. German democracy, if only for its own survival, is inclined to co-operate with the West; an autocratic Germany has throughout history found great attractions co-operating with autocratic Russia.

This fear of the political influence which might be exercised by the German army is not easy to understand in Great Britain. Germany in her outward appearances is today so much "like us" that people find it difficult to realize that the fundamental political ideas which are firmly, because subconsciously, accepted by everyone here are by no means common ground in Germany. Yet it ought not to be too difficult to understand; after all, we still have the annual Army Act, and our army is the British Army and not the Royal Army. The fear that the King with the help of a standing army might overawe Parliament is ancient history in this country. It is, in a modern version, part and parcel of political reality in Germany today. In general it might be said that Englishmen will find it much easier to understand the contemporary political scene in Germany if they will draw comparisons not with Britain of today but with the England of the seventeenth century.

It is not that German military men are particularly keen politicians. German generals would, like their Western counterparts, much rather stick to their military lasts than dabble in politics. Of course, there are exceptions to this rule, but then they are not entirely unknown in Western countries. However, the place assumed by the army in the political life of Prussia, and thence in Germany, has been quite different from anything we know in the West. It is fashionable today, both inside and outside Germany, to attack Prussia and all she is alleged to have stood for. We often overlook the admirable qualities which characterized the Prussian Civil Service. Nevertheless, Mirabeau was right when he said that Prussia was not a country with an army but an army which ran a country. Right up to 1918 the Chief of the General Staff was responsible only, and had direct access, to the Emperor. There was no control of the army by Parliament. And we know how the heads of the small professional army of the Weimar Republic found it very easy to continue this tradition and to evade parliamentary control, not least because Parliament did not really want to exercise it.

Will things be different this time? There are some reasons to believe they will. Germany for the first time in her history will have a democratic constitution at the same time as she will have an army based on compulsory military service. The Kaiser and Hitler had a conscript army, but their Germany was not a democracy, while the Weimar Republic was, or at least tried to be, a democracy; but it had a small professional army of volunteers. The new German army will be based on compulsory military service, and it will be faced with a Parliament and a public opinion much more alive to the dangers of political influence on the part of the army than was the Weimar Republic. The West can help by keeping Parliament and public opinion in Germany on their toes. Never mind that some Germans with bad consciences will complain of outside interference. The place of the new army within the framework of Germany's free institutions is a legitimate concern of Germany's allies and will be accepted as such by responsible Germans.

Furthermore, the experience of the German officer corps under the Third Reich has been such that it is not unreasonable to expect a change of heart and a change of outlook. Of course, the Reichswehr in the Weimar Republic must share responsibility for the establishment of the Third Reich; one may argue how heavy this responsibility is, and whether it was even a major factor, but one cannot argue away that there was some responsibility. It is on these facts that people base their fear of the dangers which may threaten German democracy once again from a new German army. But against them we must set another set of facts which can be best described by a date—July 20, 1944. The motives of those who tried to overthrow Hitler on that day were very mixed. Some were such as deserve no credit, but now that we know more about the background of this conspiracy it can be asserted that many conspirators, and not least amongst them some of those who will be in charge of the new German army, were inspired by motives which deserve our respect and which give, if not a guarantee, at least the hope that the dismal failure of the German past will not be repeated. Here it will be of considerable interest to learn how "July 20" will be explained to the recruits of the new army.

Ultimately all depends less on the soldiers than on the civilians. If the Government and Parliament of the Federal Republic are determined to enforce their constitutional authority we need not fear that the men chosen to lead the new German army will try and usurp such authority. However, this is a big "if". We should have no illusions about that. Nor should we be content to demand of the Germans that they should be vigilant; the West will have to be vigilant too. In practice this may well mean that some of us and, even more, many Americans in their present frame of mind, will have to resist the temptation to dismiss all French warnings as neurotic fears.

Today such warnings are echoed by the German trade unions, a section of the community known for stolidity rather than for neurosis. It is a very serious matter that they have come out in opposition to German rearmament. It is easy to understand why, for they are particularly open to the influence of all three arguments against rearmament mentioned above. General ideas of pacism are powerful amongst them, as amongst other working-class movements, and the particular arguments against a return to "0815" are not likely to be lost on a movement most members of which have experienced the system in full force. And again, the political danger to free institutions which may threaten from the new German army appears as a clear and present danger to a movement which believes, rightly or wrongly, that its own downfall and the coming of the Nazi Reich were due to an unholy alliance between the army and big business.

In spite of all these powerful arguments against German rearmament, there can be no doubt that the majority of German opinion accepts the need for a German contribution to Western defence. It is accepted not with enthusiasm but as an evil less great than the evil which threatens from the East. Many Germans see more clearly than we do the risks involved for their free institutions, but they calculate that it is a greater risk to try to be neutral between the power blocks.

This view might well command the support even of the German Social Democrats, who provide the main opposition to the Adenauer Government, if it were not for the division of Germany. As it is, reunification, the joining together of the Federal Republic and the Soviet Zone, appears to them to be made impossible by Dr. Adenauer's policy. They see no reason why Russia should be induced to release the 18 million Germans in her zone, thereby losing manpower, industrial potential and strategic territory, once Germany is committed to the West. They used to be told by the supporters of the Government that the Federal Republic integrated with the West would prove such an attraction to the Eastern Zone that the Germans there would want to join the West. Less is heard of this argument now; its futility has always been obvious. The overwhelming majority of Germans living under Communist rule would like to join the Federal Republic, whether the Republic be part of the Western world or not. There is no need to provide special attractions for them to escape Communist rule. The trouble is that the will of the Eastern Zone Germans does not matter, the only thing relevant is the will of their Russian masters. And there has been no sign that Russia would

be willing to allow reunification on any terms consistent with the maintenance of free institutions in Germany.

Nevertheless it is perhaps not surprising that the opposition should make reunification the main plank of their political platform. What is surprising is that at present they find no greater echo for their demands amongst the West Germans. It cannot be said that people in Western Germany lie awake at night worrying about the division of their country. Berliners from the free part of the town are appalled when visiting Western Germany to find how little people worry about this. One would have thought that the desire for reunification is so powerful and natural a desire that the German Social Democrats were bound to win every election in which reunification, of which they claim to be the sole champions, is an issue. It is certainly not for want of their trying to make it such an issue that they have failed in most parts of Germany to gather more than the traditional 30 per cent of the vote that has been theirs during the periods of German history when free voting was possible. We should, however, not be deceived by this lack of enthusiasm for reunification at present prevalent amongst the bulk of the population of Western Germany. It is bound to be a temporary affair. If there were to be economic difficulties, for instance, it is easy to imagine that one party or another would find much popular support for its claim that Germany's economic ills are due to the division of their country. The history of the Weimar Republic is a pointer: issues that lay dormant during the brief spell of prosperity which Germany enjoyed after 1925 soon became all-powerful when the great economic crisis broke in 1929.

Of course, the Socialist opposition are not the sole champions of German reunification. The Government and the parties supporting it are also committed to strive for reunification by peaceful means and so, indeed, are Germany's new Western allies in accordance with the London-Paris agreements. As so often in politics, the difference between the Government and the opposition is one of priorities, which does not necessarily make the difference any less acute. Dr. Adenauer and his coalition feel that German integration with the West must come first, while the Social Democrats consider that reunification must hold pride of place.

Church, State and Party

THIS issue of reunification has brought together for the first time in German politics the Social Democrats and many representatives of the Protestant Church. The rise of the German Socialist Party, unlike that of the Labour Party, owed nothing to the inspiration of Protestantism. The Protestant Church in the Kingdom of Prussia was, not unlike the Orthodox Church in Russia, so closely allied with the authoritarian régime that those who, like the Socialists, opposed the régime were almost inevitably driven into active opposition to the official Church. The views of Marx on the place of religion in politics were conditioned by the state of affairs he found in Prussia, and these views in turn conditioned Socialist policy until the end of the First World War. During the Weimar period not much was changed in this relationship, although some leaders of German Social Democracy were

known to be active and practising Protestants. The common oppression which the Churches and the Social Democrats suffered under Hitler overcame their mutual hostility, but it is the issue of reunification which is responsible for the present *rapprochement*. This alliance is loose and purely *ad hoc*, and it is more than doubtful whether it extends to any other political or economic issue.

The Socialists maintain that, if the four zones of Germany were reunited, their chances of forming the government of the united Germany would be excellent, since they feel sure that the vast majority of Soviet Zone Germans would vote for them in a free election. To an outside observer this is by no means certain. True, there are in the Eastern Zone districts which have a long tradition of voting Social Democratic, such as Eastern Berlin or Leipzig. On the other hand, the Eastern Zone contains those areas of Germany which are notoriously fickle in their political allegiance. Thuringia and the industrial areas of Eastern Saxony, for instance, were Communist strongholds after the First World War, only to be amongst the first German constituencies to give the Nazis a majority. It is anybody's guess which party would find favour with the inhabitants if there were a free election now.

On the other hand, the claim of the Protestant Church that its strength lies in the Eastern Zone appears much better founded. Before the war two-thirds of the German population were Protestants and one-third Roman Catholics. In the present Federal Republic the relation is almost one to one. Two-fifths of Germany's Protestant population now live in the Soviet Zone while only one-eleventh of the Catholic population live there. It is therefore not surprising that Protestant churchmen should put the issue of reunification above all others in current German politics.

These figures are not without relevance to the tension between the Protestant and Catholic Churches and laymen in the Federal Republic. This issue is so much outside contemporary British politics that it is easy for us to underestimate its importance, or even to overlook it altogether. It is indeed both sad and surprising that this tension should have arisen. For both Churches suffered under Hitler and in 1945 the feeling between them was perhaps better than it has ever been since the Reformation. Not that these good relations have altogether vanished. All over Germany Protestants use Catholic Churches where their own have been destroyed and vice versa, and there are many men in both Churches who do their best to maintain good relations. Papal pronouncements on the importance of Bible reading and on the importance of the individual conscience naturally pleased Protestant theologians. However, the Marian dogma and, in particular, the recent dedication of Germany to the Virgin Mary have deepened the theological differences.

Against this background we must see the changed relation in the numbers of Protestants and Roman Catholics in the Federal Republic; the Protestants now feel that they are being elbowed out of their predominant position in Germany, while the Catholics feel that discrimination, which was practised against them under the Prussian monarchy, can and should now be finally removed. This leads to mutual suspicions and accusations. The Catholics wonder whether the Protestants in their desire for reunification are not in

danger of forgetting the menace threatening from the East, while the Protestants in their turn wonder if the Catholics, realizing that a reunited Germany will once more have a Protestant majority, may not act, albeit subconsciously, as a brake on the desire for German reunification. Linked to these general political issues is a particular quarrel. This is the intensive struggle for the filling of positions in public life according to the strength of the two great denominations; in fact, "jobs for the boys" with the right type of prayer-book. This struggle is just below the surface, but lacks nothing in intensity on that account. The slogan is "parity", and the attempt to establish religious parity in ministries and offices which are not remotely concerned with matters of religion has gone to ludicrous lengths. However alien this struggle may be from the British political scene of today, no relevant report on contemporary Germany can leave it out of account.

The same applies to the great mystery of the vanished right wing in German politics. When one remembers the powerful influence of the German nationalist parties and the decisive contribution they made to Hitler's success, it is truly remarkable that neither in the Federal Parliament nor in active public opinion do they play any part at present. Very few Germans would disagree with this statement, but there is deep-seated disagreement as to the causes of this state of affairs. By and large the government majority would maintain that, save for a tiny, insignificant number of irreconcilables, former German chauvinists and Nazis have learned the lessons of the recent past and are now willing, if not to be convinced democrats, at least to behave like them and to give the new German Republic sincere support. Some of Dr. Adenauer's friends would add that this support is conditional on the maintenance of German prosperity and on continued concessions which the German Government can obtain from the Western allies. The Socialist opposition, and others who are not Socialist, would dispute the majority view. They would contend that the revelations following on the arrest of Dr. Naumann, Goebbels' former Secretary of State, have shown that the enemies of German democracy are only biding their time and are meanwhile quietly capturing key positions in the political, administrative, economic and journalistic life of the nation. Which of these two analyses is correct? On the right answer to this question will depend not only the future of free institutions in the Federal Republic but also the attitude which the West should adopt towards the new Germany.

REFORM IN BUGANDA

BACKGROUND OF THE HANCOCK MISSION

FOR nearly a year now Buganda has been in the news following the sudden announcement on November 30, 1953, that the British Government had withdrawn recognition from Kabaka Mutesa II as native ruler of Buganda. This came as a stunning blow to his people, who have been in close contact with the British for nearly eighty years. During that period contact has been continuous and in some ways remarkable, though in some ways misleading, and, as the event has shown, not always happy.

This contact began in 1877 with the arrival of missionaries of the Church Missionary Society. They found the Baganda aristocracy peculiarly susceptible to their teaching, for the ground had been previously turned by the Arab teachers of Islam, and it was not many years before the missionaries—Roman Catholic White Fathers arrived in 1879—made converts among the pages at court. Very few of the offices in the exceptionally "political" Baganda administration were hereditary, so that advancement lay through a system of clientage and a constant struggle for position. The pages at court were the apprentices from whom the later chiefs would be chosen, and the missionary success was therefore secured at an exceptionally fruitful point. But their converts were persecuted in the years 1885-88 till they closed in upon themselves to form religious "parties". Turmoil followed, but the two Christian parties—the Mohammedan followers formed a third—fought their way back to gain control of their country. Among many African tribes disintegration generally took place faster than reintegration on a new level; but following the Christian parties' success the upper reaches of Baganda society were re-integrated much more rapidly than elsewhere, and thereafter the non-Christians in the tribe reincorporated themselves into the new structure by becoming the recognized adherents of one of the religious parties. This was the missionaries' achievement, and the result was a very close liaison between the majority of white men in the country and the new leaders of the Baganda State.

There was a parallel process, for in the end the Christian parties owed their success to an alliance with the empire-builders, first of the Imperial British East Africa Company and then of the Protectorate Government. This saved Buganda from civil war after 1893 and secured the Christian Baganda leaders in power for practically the rest of their lives; Sir Apolo Kagwa was Katikiro (Chief Minister) from 1889 to 1926, and even today the chieftainships in Buganda are allotted to the three religious parties on practically the same lines as they were in 1900. What was more, this alliance extended beyond the borders of Buganda, for the British not unnaturally used loyal Baganda agents to spread their control over the surrounding districts. The Baganda therefore not unjustifiably claimed a seat at the right hand of the British administrators.

Yet they had perhaps overlooked something of importance. In April 1892 a Muganda clergyman wrote that after fighting the British the Kabaka had returned to Mengo "and the English flag is flying in front of his house". That situation still obtains. It did in 1900, for by the Uganda Agreement the Crown took control of half the land, made the Baganda pay taxes to the Protectorate Government and turned the *Abamasadza* into salaried county administrators. This subordination was not easily reconciled with the pre-existing alliances; it never has been.

It seems that during the First World War the newer administrators began to be exasperated with the older chiefs, and ten years later Sir Apolo Kagwa was forced to resign. This was perhaps ominous, but there was no outbreak, because he was out of tune with the younger educated Baganda chiefs, whose outstanding representative, Mr. S. W. Kolubya, became Omuwanika (Treasurer) soon after. But once this change had been made, the administrators by and large had every confidence that the Baganda system fitted the requirements of "indirect rule" till in the late 'thirties and early 'forties two governors with experience of indirect rule elsewhere, Sir Philip Mitchell and Sir Charles Dundas, sensed dangers in the machine though not in the men and made changes designed to impart more responsibility to the Baganda themselves. But by 1943 the Baganda had turned against the men, and in the disturbances in 1945 Mr. Kolubya was driven from office and a few months later Kagwa's most important successor as Katikiro, Martin Luther Nsibirwa, was murdered; they were said to be too subservient to the British. Mitchell and Dundas had been concerned with "indirect rule", not with democratization.

Post-War Unrest

BY 1945, however, the issues were thickening. One of them is still outstanding, for as the British replaced the Baganda agents with men of the neighbouring tribes themselves, so the links which had bound the earlier protectorate together were snapped. The agents had often made the diverse peoples of a district into a "tribe", and the British administrators concentrated upon the government which tribesmen could understand. The modern central government was something with which it seemed tribesmen could not yet be concerned. There were, however, small European and Asian business communities who were concerned with the central government, and they were drawn into a Legislative Council where for twenty-five years, 1921-46, their representatives sat with the officials, without an African among them.

But the repercussions of the 1939-45 war speeded everything up, and forced the Government to consider both the need to draw Africans into this central organ and to begin to weld the country into the beginnings of a nation. But this meant Baganda participation in something that was unfamiliar, on equal terms with their former dependants, and on unequal terms with European business men and Asians with whom they had never felt a sense of alliance. Above all, it meant the subordination of their own "parliament", the Great Lukiko, to an alien legislature. The Lukiko would have

nothing to do with it—they never have had—and Baganda members of Legislative Council have been nominated by the Kabaka at the instance of the British. These objections might have been overruled by the new younger generation if they had had no opportunities to aspire to high position in the government of Buganda, or if there had been a gulf between them and the chiefs; but since the chiefs have generally had good educational qualifications (in 1953 80 per cent of them had had senior secondary education and above), there was not much of one. It is in fact one of the features of Uganda that, in contrast with the Gold Coast for instance, the strongest tribal loyalties and the highest proportion of educated men are found in the same place—in Buganda.

More recently Legislative Council has been even more disliked because it agreed in 1948 to Uganda's participation in the East African High Commission. This to the Baganda smacks of federation, to which they have been unalterably opposed since 1922; for they have long been awake to the threat of settler rule much of Nairobi. In 1931 Mr. Kolubya led a successful Baganda delegation to oppose federation before the Joint Committee of both Houses in London. When therefore Nyasaland, which the Baganda felt was a Protectorate similar to their own, was included in the Central African Federation, and Mr. Lyttelton mentioned in July 1953 the possibility of an East African Federation, fears of the deepest kind were not unnaturally roused. The Kabaka took this up with the Governor and secured an assurance which in November he agreed was satisfactory.

But by then complications had been added which led to his deportation, for in the end he was caught between what he said would be the wishes of the Lukiko and what he knew to be the careful decisions of the Government. There remains the doubt whether he did not in fact create that position very largely by his own actions. For to his early request for an assurance about federation he added a request for the eventual separation of Buganda from the rest of the Protectorate. This would have been disastrous both for Buganda and for the whole Protectorate, but when the Government decided that they would have to reject it the Kabaka told them that he would oppose their decision publicly—something which neither he nor his father had ever done before, and something which, since the Kabaka is highly revered by the Baganda, would have brought the administration of the Protectorate to a full stop.

The Kabaka and the Governor

ONE of the clues to these events, for federation was by that time out of the way, lies in the reforms for Buganda which had been announced jointly by the Kabaka and the Governor in the previous March. Among them (though there was no substantial change in the position of the Kabaka) there was provision for the first unofficial majority in the Legislative Council. There was in fact to be "representative government", which had been difficult enough for eighteenth-century British governors in America, but was far worse for an African hereditary ruler sandwiched between an uncontrolled Lukiko and the powerful British Government. There were especial reasons why the Kabaka might have been perturbed, for in 1945, and in 1949, there had been

disturbances which (though concerned with serious economic matters subsequently resolved) were revolts against his own government. It was perhaps natural to try to avoid a third, but instead of asking for his position to be altered he seems to have taken the opportunity which the storm over federation had created, and which might not recur, to turn about, and, using his old position under the 1900 Agreement, sought privately the ultimate separation of Buganda from the rest of the Protectorate (a matter which had not been mentioned publicly). This, had he secured it, would have been his own achievement and would have secured his future in the hearts of his people. When the Government would not agree to his request, the Kabaka seems to have preferred the withdrawal of recognition to a political defeat.

The deportation, however, seemed to the Baganda like the disruption of the old alliance, and all the long-latent protests burst forth. It also revealed for the first time the full extent of their subordination, a truth more terrible because it had been disguised, and one against which nationalist feeling inevitably protests. These protests crystallized in the insistent demand for the Kabaka's return.

That there were no immediate disturbances was due to the Government's promptness in having troops around Kampala before the news was generally known, and to the unprovocative skill of the Katikiro, Mr. Paulo Kavuma. Two days after the deportation, when the new members of the Lukiko met, a younger group (who had been to British universities) seized the initiative by proposing that an appeal should be made to the Colonial Secretary in London. They soon found themselves on the Lukiko delegation, but met with a firm reply from Mr. Lyttelton that the decision to remove the Kabaka was final. The Government said that they wanted the Lukiko to elect a new Kabaka (the constitutional process), but they never completed their *coup d'état* by pressing them to it, and once Christmas was over the only possible opportunity had passed.

Since, however, the Baganda had kept their heads, it was soon clear that it might be possible to steer clear of these rather muddy waters. Their patent subordination had redoubled their fears that with industrialization their future might pass into the hands of business men and (with, say, Northern Rhodesia's experience on the one hand, and the Gold Coast's on the other) they were especially anxious to know in which direction they were likely to be moved. Mr. Lyttelton therefore made a statement giving reasons why they need not fear industrialization, and declaring that Uganda would be primarily an African country but with proper safeguards for minorities. These declarations required translation into tangible form, and, since the constitutions of Buganda and the Protectorate had at several points broken down, Sir Keith Hancock was appointed to draft some new arrangements with a Baganda committee which might steer the country back on to the main road to the future.

A Wise Mediator

IT is only necessary to refer back to the hostile exchanges before Sir Keith arrived between the Governor and three members of the committee about

its composition, to realize that a very different situation has already been procured. The main credit must go to Sir Keith himself, though his task was made possible by the moderation and readiness to compromise of the committee itself, and by the great gifts of the Governor. This has led to the curious position where the committee are now more concerned to bind Sir Andrew Cohen's unknown and (so they fear) less liberal successors than Sir Andrew himself. This is vindication enough, from what otherwise would be an unlikely source, of the Governor's very considerable integrity of manner and purpose. Such vindication is a considerable achievement.

The substance of the Hancock reforms may well be as important as their spirit. Indeed they must be, for it is most improbable that agreement could have been reached without some concession whereby Baganda representatives will participate in the central legislature of the whole Protectorate. This is now by far the most important point of all. For without Baganda participation last year's rupture would be perpetuated in another guise; and this is clearly no solution. Yet a solution has been reached. It can scarcely be a federal solution, but there is no need to turn Uganda now into a strictly unified state to steer well clear of that. The bonds which bind the country together will strengthen as the more politically minded Africans find their outlet in the central legislature, and if the Baganda participate, that need only be a matter of a few short years.

At the moment there is no demand that the Government should relinquish its official majority—a tribute to its ability as a trustee—but there is a demand for greater African membership. If there was to be, taking both sides of the house together, an African majority in the Council, and if the Asians and the Europeans were, for instance, to give up one of their seats,* two things would have been achieved without parallel in East or Central Africa which would show that Uganda at all events was not to be cast in the multi-racial mould.

There have been stories of the creation of ministerial posts for unofficials, and since it would be in character for Sir Andrew Cohen to make sure that Uganda did not lag behind its neighbour Kenya, and for him to insist that Africans are associated with all branches of the government, these stories may well prove true. If a majority of such posts go to Africans, they will have little of which to complain, though there has already been much stir at the idea that one of them should go to an Asian. This arises from the objection to calling Uganda a primarily African State, when, so the Uganda National Congress says, it should be an entirely African State. One Asian appointment will probably cause as much opposition from Africans as any other possible

* This is one of many details in which our correspondent, writing with the advantage of direct contact with Europeans and Africans who have been engaged in the discussions with Sir Keith Hancock, has correctly divined the probable tenor of his Report. It has not seemed useful to attempt to modify his article in the light of the actual Report, or to follow the course of events since its publication; but readers will be aware that Sir Keith has proposed a scheme of constitutional reform, both for Buganda internally and for its place in the Uganda Protectorate; and that the Governor has told the Lukiko that, in the new situation that will be created if they accept the proposals in their entirety, they will be free after nine months (possibly sooner) either to elect a new Kabaka or to recall Mutesa II.—*Editor*.

reform, yet at this stage the alternative—that there should be no Asian Minister, and that all new posts should go to Africans—could scarcely be defended by the Government if there is also provision for all constitutional arrangements to be reviewed in a stated number of years' time.

Conflicting Authorities

BUT Sir Keith Hancock cannot have left the situation there, for it is not merely the constitutions of the Protectorate, or of Buganda, which are at issue; it is equally the relations between them. Here there is one thing inescapable. Until self-government has been achieved there is in the last analysis—though, lest the court case has obscured this, only in the last analysis—one party which holds the mastery in law, and that is Her Majesty's Government. Until self-government has been achieved, it will still be theoretically possible for the Buganda and Protectorate Governments to collide, and for the Protectorate Government supported by Her Majesty's Government to be free to do what it thinks right despite the wishes of the Baganda. This inescapable fact so long as there is overrule is one good reason why people want self-government. Its ugly features create the conscience which leads a power to grant such self-government. But all that can happen before that point is reached, and once the old days of power pure and simple are over, is to make arrangements whereby the full force of such a collision is cushioned. This can be done first by connecting the new arrangements with the fountain-head of the municipal law of the territory—an Order in Council—and then by increasing the number of filters through which a dispute can confidentially be strained. Quite what the committee may have devised remains to be seen, but that there must be something on these lines is clear. It may be that the committee have gone further, for such a collision could take place not merely between the Buganda Government and the Protectorate Government, but between any of the component parts of the country (and particularly the previously separated kingdoms) and the later self-governing central government. With emotions and loyalties as they are at present, and since this would only affect a later occasion, this problem is probably left over to a later review; but that it will arise, if Baganda confidence in the central government is not created in the meanwhile, is one of the near-certainties of the future. In an acute form it could disrupt the orderly progress of the future self-governing country as much as the Kabaka's attempt last year threatened the present protectorate.

There is of course a third series of issues on which some agreement must have been reached—the internal constitution of Buganda itself—but since the decisions here must very largely have been up to the Baganda members themselves, it is difficult to speculate with any precision. It is likely that they have sought to remove the Kabaka somewhat from the political arena where previously he held the centre of the stage. But since there are no political leaders in Buganda with assured followings, it will probably be necessary, if the Katikiro is to gain powers at the Kabaka's expense, that he should still be appointed for a set period. For in the present state of affairs it could only lead to a breakdown of government were he and his colleagues to be completely

at the mercy of an unorganized assembly. In the event the crucial point for immediate purposes is likely to be whether or not the Kabaka is to be deprived of all his powers or only some. If he is to retain some of his powers with political consequences, it is difficult to imagine after their previous experience that the Government would in any circumstances allow Kabaka Mutesa to return. If, on the other hand, it is proposed to deprive the Kabaka of all his political powers, it will be difficult for the Government to justify, in view of what else is at stake, their continued opposition to his return, if the Baganda insist upon it.

Baganda Loyalties

THAT they probably will can scarcely now be gainsaid. Indeed it has been obvious from the time the idea of Sir Keith Hancock's mission was first mooted, that sooner or later Baganda concern for the return of the Kabaka might become impatient with anything short of it. The Lukiko only accepted the idea of the mission on the (quite unofficial) understanding that it would prepare the way for the Kabaka's return. Three things are here important. Whatever the limitations on the Kabaka's popularity before his deportation, they have been successfully overcome by the subsequent realization of his steadfastness when in conflict with the Governor. And then since the Hancock mission was announced the Government have been forced, in order not to jeopardize its outcome, to refrain from any announcement reiterating the finality of their decision about his deportation; they have not been able to give any encouragement to those Baganda—and they did exist—who were ready to support a new one (so that they have now retired into oblivion), and Mutesa's supporters have for six vital months had the field clear before them. The trouble is that the Government could not have it both ways; they could not reach agreement with the Baganda on constitutional reform, while at the same time emphasizing that in no circumstances would Kabaka Mutesa be allowed to return. The Government made their choice, and the present situation is the consequence. There is a third matter: for all the talk of progress to self-government, it is difficult to find politically minded Africans in Uganda who are particularly ambitious to undertake the administrative burdens which it involves, so that they are not over-perturbed at having to wait for them. Unless therefore there is an unusually skilful handling of the Lukiko, there are strong indications that, however attractive the reforms may prove to be, the Lukiko will refuse to put them into operation unless there is some assurance about the Kabaka's return.

It is in these circumstances that the difficult decision for the Government arises. On the one hand they have said more than once that their decision was final, and it cannot be easy for them to depart from such a publicly announced decision nine months later; the repercussions could be manifold. Nor need they feel that the essential correctness of their original decision has been successfully challenged. And then there is powerful evidence to support the contention that owing to the strength of tribal custom and the enhanced popularity of Kabaka Mutesa the introduction of a constitutional monarchy will probably be misunderstood and misinterpreted, and this might destroy

any other advances that had been made. In the end the Government may well be confident of their ability to prevent actual disorders, and (so long as prosperity is maintained) to keep up the non-political life of the country. These considerations cannot be brushed aside too easily.

But, on the other hand, a protracted deadlock with the Baganda could at best only be barren of results, and the present important opportunity for securing Baganda participation not merely with but in the central government of the Protectorate would be lost. Compared with this the question of the Kabaka's return, for all its drama (if he is deprived of his political powers), is secondary, for with Baganda participation Uganda will be back on its main road to the future. There may here be an opportunity which should not be lost.

The Government are of course suffering from their miscalculation about the effectiveness of their statements that the Kabaka's exile was "final", but at worst the chances are equal that they would create as much confidence as they would destroy; and there is singularly little evidence that anyone is likely to be victimized. The difficulties about Baganda understanding of constitutional monarchy are more real, but the issue here is clear, and with intelligent handling, since the barometer is set to change, there is no reason why they should not be overcome. And this is not all, for it is worth some sacrifice to restore confidence among a proud people with whom the British have been closely and honourably associated for nearly eighty years. There is moreover something illiberal in any suggestion that the unanimous vote of a people's assembly which we have recently done much to democratize should be overruled because its deliberate request is not unreasonable but merely very inconvenient. And there is at all events a real choice between co-operating with thoughtful and reasonable moderates, and forcing them into the arms of the extremists or into useless political oblivion. There are of course tortuous undercurrents in Baganda politics, where there is much *amour propre*, little mutual trust, a tendency to denounce the Asians while borrowing heavily from them and playing them off one against the other, much parochialism, much ignorance of the outer world, much immaturity in Western-type politics, factionalism, little quarter, and an unhealthy aversion from self-help. There are, however, other qualities: self-confidence and shrewdness, dignity, ability, a conscience Christian in origin, and an affection for the Commonwealth and its ideals. Which of these qualities are to be given a chance to develop?

There will certainly be difficulties if the Kabaka is to be allowed to return, but there is no reason, if he is deprived of his political powers, why they should be more serious than a deadlock and a crumbling of Professor Hancock's achievement. For it is to everyone's advantage to create a largely new situation, and if that can be done, the constitutional reform of Buganda and the Protectorate, some of which is ten years and more overdue, will have been secured far more promisingly and far more rapidly than anyone would have dared to imagine a bare twelve months ago.

Uganda,

November 1954.

CRISIS IN PAKISTAN

DISSOLUTION OF THE CONSTITUENT ASSEMBLY

PAKISTAN has survived the greatest crisis of her existence. When the Prime Minister, Mr. Mohammad Ali, cancelled his official visit to Canada to return in haste to Karachi on the fateful Saturday night of October 23, the Federal capital was tense with suspense. "What next?" everyone asked, and none could reply. The situation was fraught with dangerous possibilities. Inter-provincial differences on vital features of the draft constitution had reached a point where a show-down looked imminent. The Muslim League Parliamentary Party was a house divided against itself. The leadership had again dismally failed to rise above narrow provincial and personal feuds. The whole outlook was sombre.

But within fourteen hours of the Premier's return things changed dramatically. Once again the Governor General stepped in and stopped the rot. Once again he proved to the hilt that he would never hesitate to take drastic steps to meet a situation rapidly getting out of control. A state of emergency was declared throughout Pakistan. The Constituent Assembly was dissolved and "was wiped off the country's political map as one wipes spilt milk from a table". New elections were to be held as early as possible. The Prime Minister was asked to reconstitute his Cabinet and for the first time in Pakistan's chequered history a national Government, as opposed to a one-party Government, came into being. Talents and not party affiliation was now the principle, and a few days later the basis of the new Cabinet was further broadened with the inclusion of Dr. Khan Sahib, a former Chief Minister of the N.W.F.P. and the elder brother of Khan Abdul Ghaffar Khan, the Red Shirt leader. The country has now embarked on an experiment in the democratic system of government which is novel for it. Will it march forward now that the depressing, unedifying and—when looked at from the broader national point of view—wholly unnecessary political deadlock has been broken and a new path for progress and prosperity chalked out? An overwhelming majority of the Pakistani people fervently hope so.

Criticism has been voiced in certain quarters on the appropriateness of the Governor-General's action. It is claimed that the Constituent Assembly was a sovereign body and it alone could liquidate itself. But when a people are confronted with a choice between anarchy and misery on the one hand and authority and well-being on the other, it is unpardonable to take shelter behind constitutional maxims and create confusion by legalistic interpretations. At a time of a grave crisis, such as the present, such considerations have perforce, though reluctantly, to be set aside.

It is not easy to set forth the precise causes which have led to the present political situation in the country. Several factors so mingle and interact on each other that it becomes well-nigh impossible to set them apart in clear-cut terms. But the biggest single issue against which the leadership has stumbled

badly is provincial and parochial outlook. This has greatly hampered the development of a broader national perspective and has progressively led to an intensification of provincial bickerings and jealousies.

Provincialism is a hydra-headed monster. The East-West controversy, now raging, is in the last resort, a Bengali-Punjabi controversy. Bengal claims for itself the lion's share in the administration of the country. There is justification in this demand, for the population of the province is larger than the entire population of West Pakistan. But more than a fifth of the people of the province are Hindus, and this is a fact which should constantly be borne in mind. If East Bengal's claims were met in full it would mean that the Hindu minority would dominate the whole of Pakistan.

That these fears are not altogether unfounded is borne out by recent happenings in East Bengal and elsewhere. Earlier in the year Hindus in East Bengal combined with Muslims in riots against the Muslim League Government. Later in Karachi Hindu members made common cause with Muslim members from East Bengal in the Constituent Assembly and went back on their earlier decision to boycott the Assembly sessions. With the majority thus obtained certain highly controversial measures were adopted by the Assembly, leaving in their wake bitterness and frustration among a considerable number of the Pakistani people, especially the Punjabis.

On the other hand, the Punjab is Pakistan's largest single unit in area and the second largest in population. The Punjabi leads in every sphere of activity: education, business, administration, services and so on. He is enterprising. He insists that mere quantity of opinion should not be the decisive factor. Like Dr. Stockman in Ibsen's *Enemy of the People*, he cries out: "The majority is never right."

From the foregoing account it will be clear that the main point of contention between the two major provinces of Pakistan was the quantum of representation for each in the future Central Legislature. More than anything else it was this issue which for several years held up progress in drafting a new constitution for the country, and when at long last the deadlock was resolved in October last year, through what is known as the Mohammad Ali formula, there were high hopes that the Constituent Assembly would speedily conclude its task and Pakistan would have a constitution which in letter and spirit fully enshrined the ideal for which the country came into being. Things went well for the next four or five weeks and the Assembly took up, clause by clause, consideration of the Basic Principles Committee Report, until it adjourned to enable its members to participate in the ensuing provincial elections in East Bengal.

Rout of the Muslim League

THE election results shook the very roots of the Muslim League Party, which collapsed like a house of cards. None of the provincial ministers was elected to the new Assembly, and out of 237 Muslim seats the League could only win nine. Not even a poet in the flights of his imagination could provide a more glaring proof to show that East Bengal members in the Constituent Assembly had completely and finally lost their credentials as repre-

sentatives of their province. And yet when the United Front leaders demanded their resignations, they turned a deaf ear and took their stand on legalities which had been out-dated. Elections to the Constituent Assembly are indirect, the legislature of each province being an electoral college which elects its representatives, and the East Bengal members maintained that once elected they would continue to be members of the Assembly until that body had completed its task and produced a constitution. Legally they might be right, but morally they had gravely erred. Not even a shipload of argument could controvert the fact that they claimed the right to devise a constitution in the name of a people whom they in no way represented. But in spite of this they continued their deliberations in the Constituent Assembly and went ahead in giving final touches to the draft constitution. Support came to them from an unexpected quarter—the Punjab. In face of the United Front the Leaguers forgot their differences, for if the Front's demands were conceded and the East Bengal Assembly allowed to send fresh representatives, they might straightway vote its dissolution. Such an eventuality could have meant a repetition in the western wing of what had happened in the eastern wing of the country. Many an erstwhile Leaguer from West Pakistan might lose his seat and go into the wilderness. This was not at all a palatable prospect and hence the Leaguers' united stand.

Meanwhile United Front leaders in East Bengal indulged in reckless utterances. Tension between Bengali and non-Bengali Muslims had reached its bursting-point. There were several bloody disturbances. The entire situation in the province constituted a grave threat to the maintenance of law and order. Ultimately the United Front Ministry headed by Mr. Fazlul Haq was dismissed and this gave fresh hopes to East Bengal Leaguers in the Constituent Assembly of rehabilitating themselves with the people of their own province if they could incorporate in the draft constitution a wider measure of provincial autonomy for East Bengal than was hitherto envisaged.

Perhaps Leaguers in West Pakistan thought in similar terms. They had read the writing on the wall and felt that the people's wishes—so emphatically and unambiguously demonstrated in the United Front's victory—could not altogether be ignored. But they could not reconcile themselves to a position where East Bengal enjoyed a wider measure of provincial autonomy than any other province in Pakistan. East Bengal being a single unit could easily administer a subject like the railways, in case this was transferred to it. But no province in the western wing of the country could by itself do so. The only way round could be that the rest of the provinces should merge together and form themselves into a single unit like East Bengal.

But the path to this goal bristled with difficulties. First, there was the fear among the smaller provinces in West Pakistan of Punjabi domination—the Punjab being the largest province both in population and area in the western wing of the country. Secondly, many a budding politician saw in it the grave of his ambitions, for it would mean a drastic reduction in the number of the many sinecures. In the provinces as they are administered now there is always room for political bargaining. A Ministry's survival often hangs precariously on the whims of those who command influence among certain groups in the

Assembly. Their price is usually office. To satisfy the many aspirants often leads to ridiculous and distressing situations. In Sind, for instance, where the population does not exceed 4,608,000, there is a Cabinet of twelve Ministers. Under a unitary system the field for such political bargaining would be very much restricted. The less the number of the plums, the harder the picking. Understandably there was much opposition to this plan, and as a compromise the idea of Zonal Federation caught on. In such a Federation the provinces and their assemblies would be left intact, but would send their representatives to the Zonal Federation Assembly, which would administer difficult inter-provincial subjects such as communications and irrigation.

Zonal Federation

THE Zonal Federation idea received considerable support in the early stages of negotiations among provincial leaders. Soon after, however, differences cropped up, sides were changed and new alliances forged. Once again it became a Bengali-Punjabi controversy. The Bengalis went back upon their demands for wider provincial autonomy and instead advocated a strong Centre. They feared that, in case of either a unit or zonal federation in West Pakistan, it would become impossible for them to enlist the support of any province in West Pakistan should the need arise. Things had now reached a stage where there could be no hope of a compromise. The rival factions in the Constituent Assembly, therefore, prepared themselves to go ahead and get incorporated in the draft constitution provisions which suited them best, in flagrant disregard of the others' wishes and aspirations. They adopted methods which were wholly undemocratic. The most vital and important clauses of the draft constitution were passed when attendance was thinnest. At times it was difficult to raise the necessary quorum for holding the Assembly session. That was an impossible situation and could not continue much longer. Things became further complicated when the Bengali group in the Constituent Assembly, with the support of certain League members from West Pakistan, particularly Sind, forced certain highly controversial matters through the Assembly. The five-year-old PRODA (Public and Representative Offices Disqualification Act) was repealed.

It was claimed that the Act, which was placed on the Statute Book of Pakistan at the instance of Quaid-e-Millat Liaquat Ali Khan against growing corruption in public affairs, was used as a weapon for political vendetta. An amendment to give the repeal bill retrospective effect was at the same time turned down.

That the repeal of PRODA was not the result of any disinterested motives was patently clear from the refusal of the Assembly to give it retrospective effect (although later on the Governor General in exercise of his powers did so). It would ensure the all-clear signal for those who manœuvred the repeal in their bid for power. While those on whom the PRODA axe was about to fall could be counted upon for support, men like Mr. Mohammad Ayub Khuhro, former Chief Minister of Sind, and others who, till the Governor-General's action, were debarred from taking part in politics, could be written

off as potential rivals in the general elections which would have followed had the draft constitution been passed.

The next axe fell on the Governor General himself. Without the usual notice a Bill was introduced and rushed through the Assembly divesting the Governor General of the power to dismiss his Cabinet and making it obligatory for him to accept the advice of his Ministers. The step, which was characterized as a "constitutional coup", had all the elements of drama. It was a surprise move. The Governor General was away on tour in the remotenesses of the North West Frontier Province and was not expected to return to the Federal capital for another week. The Bill was passed in great haste and without any discussion. At once it was hailed as a democratic move in one quarter and in another condemned as a reactionary step aimed at placing powers in the hands of an "unrepresentative coterie".

It can be said, as it has been, that the step is in keeping with "general democratic trends". There can, however, be more than one interpretation of the word "democratic". But what in this case arouses misgivings regarding its "democratic" nature is the fact that several other provisions needing revision in the old constitution, which is still in force in the country, have been left untouched. And why was the Governor General singled out for this "democratization" when similar powers enjoyed by provincial Governors in relation to their Ministers have not been affected?

These measures raised a storm of controversy and, as the majority group appeared bent on forcing its way through and incorporating in the draft constitution provisions which served its purposes, others would have nothing to do with it, and the demands for the dissolution of the Assembly and scrapping of the draft constitution attracted the support of a daily increasing number of people.

There is an irony of situation in these demands. They come mainly from the Punjab and find their most powerful supporters in the United Front from East Bengal. Those who were foremost and uncompromising in their condemnation of the United Front immediately after it had routed the Muslim League in the provincial elections earlier this year now show an equal eagerness in wooing it. Mr. Suhrawardy's competence "to speak authoritatively on behalf of the people" is as unqualifiedly accepted as it was unceremoniously rejected then. What was all the more striking is that those who now sought the alliance of the United Front in their demands for the dissolution of the Constituent Assembly and the scrapping of the draft constitution come very much nearer to the United Front viewpoint on maximum provincial autonomy for the provinces. In fact some from West Pakistan have gone to the extent of demanding that the Centre should have only three subjects: Defence, Foreign Affairs and Currency—demands which originally and first of all came from East Bengal's United Front.

As the date of the Assembly's crucial meeting (October 28) came near it looked beyond any shadow of doubt that the time for a show-down had arrived. Leaders of various factions in the Muslim League had revelled in dangerous and extravagant speeches. The situation was getting out of hand. None could predict what would have happened had the Governor General

not intervened. And when he did there were widespread feelings of relief. The whole situation now took an altogether different turn.

The Issue of Law

THERE has been much comment on the legality of the Governor General's action in dissolving the Constituent Assembly which came into existence on the basis of the Mountbatten Plan, which was given statutory status by the Indian Independence Act passed by the British Parliament. The Act conferred on the Assembly the right to pass a constitution for Pakistan as a "sovereign body uninterfered with by any outside authority". The Act provided that the Assembly should also function as the Central Legislature or Parliament. Only the legislative functions of that body came under the control of the Governor General.

Since the Constituent Assembly acting as a sovereign body had curtailed the powers of the Governor General to dismiss his Cabinet, but left untouched his other powers, such as the dissolution of the legislature and the declaration of a state of emergency, it is claimed that the Governor-General's action is right and legal only as far as Parliament is concerned, but has no validity with regard to the Constituent Assembly. Taking this stand the President Mr. Tamizuddin Khan has "adjourned" the Constituent Assembly session to the first week of January, and according to some reports appealed direct to the Queen against the dissolution.

The constitutional position is indeed unusual. But those who support the Governor-General's action—and they are now an overwhelming majority—claim that in the absence of democratic conditions such actions become necessary. History provides many instances in which recourse has been had to extra-legal methods to serve democratic ends. The Constituent Assembly came into existence eight years ago and had utterly ceased to be in any way representative of present-day public opinion. It had become the plaything of irresponsible Muslim League politicians and, with the country on the verge of chaos, something drastic had to be done. As the Prime Minister himself said: "Constitution-making is important, but more important by far is the security and stability of the country."

Now that the present Government has a clean slate to start with, how is it going to ensure that, once elections are held and the work of constitution-making begins afresh, the same sorry state of affairs is not going to be repeated all over again? From the various pronouncements made by the Prime Minister and others it is clear that as a first step in this direction the Government will go all out to curb provincialism. This may lead to far-reaching developments. It is possible that the various provinces and States in West Pakistan may be merged together so that there remain only two units in the country under a Central Government—West Pakistan and East Pakistan.

On November 1 the Prime Minister, Mr. Mohammad Ali, said in his monthly broadcast to the nation: "My colleagues and I are determined to curb the destructive and fissiparous tendencies of provincialism and parochialism. The aim is to promote national solidarity and cohesion so that the basic ideology of Pakistan begins to shine once again and light our path to

greater national unity and progress." The following day there was a significant development.

The Amir of Bahawalpur, princely Ruler of Pakistan's largest State, was urgently summoned by the Governor General for consultations with him in Karachi. On his return to his State he issued a proclamation suspending the Constitution. The State's "popular" League Ministry was dismissed and the Assembly dissolved. This step was generally interpreted as a preparatory move towards making West Pakistan a single unit. It acquired added importance with reports that almost all the States in West Pakistan had agreed to merge with adjoining provinces, and plans are now being speedily completed to make financial and other provisions for the princely rulers. How the full merger of provinces and States in West Pakistan will be achieved, however, and what shape it will ultimately take, is not very clear. An important Minister in the Central Cabinet said that while full merger was the objective, he could not at this stage say how it might be achieved.

In the face of these vital political changes one is apt to overlook important and significant developments elsewhere. The Interior Minister, Major-General Iskander Mirza, while addressing foreign journalists said that religion and politics should be kept apart from each other, "otherwise there would be chaos". When asked to comment on Jamaat-i-Islami and other religious organizations, he said: "We have nothing to worry if they confine themselves to religious affairs." This pronouncement is revolutionary inasmuch as Pakistan came into being on a politico-religious urge. It has already brought forth angry reactions from the religious groups. But the man-in-the-street will welcome it. He loves religion, but is very sceptical of religious leaders. If he is given an honest and clean administration and the prices of consumer goods are brought down he will feel more than satisfied. Will that happy state be achieved? To answer it at this stage will be to play the rôle of a seer. But if the new Government has its way—and one very much hopes it will—the prospects look very bright. As an English daily put it: "There is no doubt that the present Cabinet is composed of big men and able men of whom it can be confidently said that they will do their jobs and do them well. What is more it is not a Cabinet in whose ranks intrigue is likely to enter." That is exactly what the Pakistanis need. The common man and the country have suffered long; and if we now have people at the helm of affairs who we know are clear in their visions and have honesty of purpose we are inclined to wish them god-speed and forget everything else.

Pakistan,
November 1954.

DRAWN MATCH IN AMERICA

A VOTE FOR COALITION

THERE will be very little change in American policy as a result of the mid-term elections. President Eisenhower's leadership has not been rebuked. Both parties have been notified that an independent and closely divided electorate will watch their behavior in the next two years with great care. The White House in 1956 is at stake. Constructive rather than oppositionist policies should be at a premium.

In short, the American people have voted in favor of a coalition government. In these times of world crisis this decision would seem to derive from well-springs of instinctive wisdom which greatly enhance one's belief in the democratic process.

Each political party emerges from the election as a respectable political force. The last-minute campaigning of President Eisenhower and Vice-President Nixon undeniably prevented their party from suffering a severe defeat, as all the polls said it would. But the Democrats have won control of the House of Representatives, and within an eye-lash of the Senate. They have captured some important state governments. They have saved important and symbolic Senate seats. Adlai Stevenson has gained in political stature, for some of his closest friends won re-election.

You might say that the outcome was a draw. The American people have placed themselves squarely in the middle of the road. They have said—in results which are uncannily comparable in state after state—that they do not support extreme partisanship. The radicals of the left and of the right have been equally rebuked.

The Eisenhower Administration may feel quite free to go forward with its domestic program which is close to the center, and its foreign policies which are based on the western alliance. Congressional majorities, derived from a coalition of the parties in fact though not formally, will support such policies. The American people have willed it that way. They have decided they will not entrust their fate to the exclusive political wisdom and planning of a single political party. To implement the decision will call for the kind of magnanimity of which President Eisenhower is manifestly capable. It will not be an easy house in which to live for intense partisans. The organization of the Congress may be awkward. But in times of crisis coalitions are more possible than in the easy days of open political warfare. Viewed in these terms, surely it was a remarkable, wise decision.

That the Administration was able to hold normal mid-term losses to a minimum, in the face of clear-cut poll-predictions to the contrary, was a remarkable fact. That so many voters came to the polls, after widespread diagnoses of apathy, was impressive. Probably the President's unprecedented last-minute campaigning had a good deal to do with the size of the vote.

The following things are unmistakably clear:

There is no revolt against the Eisenhower-Dulles foreign policies.

There is no clear wave of dissatisfaction with Eisenhower-Benson farm policies.

There is no sign of support of McCarthyism.

There is evidence of voter-response to some unemployment, or under-employment.

There is only slight evidence that voters reacted adversely to the Administration's slow-down policies on public ownership and operation of water power resources.

Democratic Hopes

THE election of Mr. Averell Harriman, a Democrat, as Governor of New York with a margin of some 9,000 votes out of 3,050,000 cast shows the hair-line closeness of the decisions in many areas. Two months before the election it was thought that Senator Irving Ives, Republican, would win this important state capital with ease. Then the public-opinion polls showed Senator Ives running well behind. Seeking to counteract this trend, the redoubtable Governor Dewey, with his even more redoubtable ally, Attorney General Herbert Brownell, began a campaign of sharp personal attack upon Mr. Harriman. It is anyone's guess whether this campaign, which had many aspects of the smear, helped or hurt the Ives cause. Your correspondent believes it hurt, and that Senator Ives would have won if he and his powerful supporters had waged a more legitimate campaign.

In Illinois, in one of the most significant and emotion-fraught senatorial struggles, Senator Paul Douglas—with Adlai Stevenson behind him—won with an overwhelming margin without using any such tactics, and against an opponent who did not hesitate to smear. The decision in Illinois was a resounding rebuke to the *Chicago Tribune*, to isolationism and McCarthyism, and a resounding victory for moderate liberalism. Senator Douglas is a symbol of decency and independence in the Senate: He won over an affable, effective political salesman, Mr. Joseph Meek, who was supported by all the elements of reaction and nationalism in the community, plus many other forces much nearer the center.

In New Jersey one of the very closest contests for the Senate was won—though there will be a recount—by one of the few Republicans who had condemned Senator McCarthy in advance. Mr. Clifford Case is a Republican liberal, just on his party's side of the center line, and very much more progressive in his thinking than a goodly number of Southern Democrats. His opponent was a full-fledged Democratic New Dealer. But Mr. Case had to combat all the forces of reaction and nationalism within his own party. His victory was remarkable and unexpected. Like that of Senator Douglas, it is a refreshing sign of independence and decency.

Two strong Eisenhower Republicans pulled through in Massachusetts. That state leans toward the Democrats, and has a substantial Irish-American population which tends to support Senator McCarthy. But Senator Saltonstall and Governor Herter, both men close to the Eisenhower stamp, won re-election in the face of heavy opposition.

And elsewhere in the nation the emphasis was frequently on the Eisenhower coat-tail riders. They were successful, although not in all cases. Senator Homer Ferguson of Michigan was unable to stem the tide of dissatisfaction with unemployment in the motor industry. He lost to a Democratic candidate who was basically weak, and President Eisenhower's intervention was unable to save him.

From all this a number of further broad conclusions are justifiable. One is that under present conditions the United States is more likely to go Democratic than Republican, and the Republicans do well to hold their own. The Democratic Party starts with the solid South—some eleven states which almost never go Republican, and three or four others which only go Republican under the stress of powerful and unusual circumstances. This gives the Republicans a bad handicap at the outset. In addition, a number of industrial states like Rhode Island and Massachusetts are frequently Democratic, and many other similar states are open battle-grounds inclining toward the Democratic.

It will require, therefore, a national leader of the stature of President Eisenhower to insure the Republicans anything like an even chance. There is no likelihood that a conservative, nationalist-directed Republican Party will win the Presidency or the Congress. There are plenty of conservatives among the Democrats, although not many nationalists, but their party loyalties are deeply entrenched, for they rest upon the sentimental memories and resentments of the South.

There is a great deal of stability and independence in the American electorate as evinced in this election. Voters were very discriminating in state after state. They did not vote automatic party tickets. Local issues were decisive in many instances, and must always be kept in mind in adducing national conclusions.

In South Carolina an extreme state's-rights supporter, former Governor Strom Thurmond, was elected to the Senate for the first time in history as a write-in candidate. That is to say, voters had to scratch out the name of the regular nominee of their sacrosanct Democratic Party, and substitute Governor Thurmond's name for it. They did so, which is an almost incredible political phenomenon.

Across the nation there were similar signs of independence and thoughtfulness. In Colorado a Democrat won the Governorship and a Republican was elected Senator. In Connecticut a Democrat was elected Governor, but the Republicans held all the Congressional seats they had won with difficulty in 1952. In Massachusetts, though a Republican was elected Governor, he must face a Democratic majority in the state House of Representatives.

In industrial Ohio an only moderately strong Republican, Mr. George Bender, won the seat formerly held by Senator Taft. But in neighboring Michigan, a very comparable state in industrial and agrarian resources, a weak Democrat defeated a strong Republican Senator.

Somebody has called this a two-per-cent election, which means that by the slightest shifts one way or another the results could be changed. And this may, indeed, happen when there are legal recounts in the closest of the

states. The returns announced on election night, or next morning, are subject to careful re-checking. Sometimes the ultimate results will vary by a fractional percentage. And so in such states as New Jersey—where Mr. Case leads by 857,752 to 856,702(1)—the recount could reverse things. On the whole, errors made in the early counting tend to cancel one another out.

There is something in the Anglo-Saxon mind and heart which is satisfied and refreshed by a draw. How often do we say that both sides in a given contest deserved to win! This state of affairs is also very consistent with the American Constitution, which is built upon the safeguard of balance-of-powers. It may be awkward and inconvenient. But how relevant compromise is to freedom! And so the American people have chosen compromise, rejecting radicalism of both extremes.

Foreign Policy Approved

ONE of the great beneficiaries of the decision is Secretary Dulles. There is no breath of criticism of his policies in the voting record. Moreover, the Paris agreements—as communicated to Americans by a most remarkable televised sitting of the President's Cabinet—are widely hailed in the United States. The Paris accords are all the more agreeable since they were the result in large part of European initiative, negotiation, and responsibility. The United States is in the mood to hail with relief any solution of European or Asian problems that can be worked out by Europeans or Asians. This is not precisely a psychological withdrawal, and it took Mr. Dulles some time to reach this point of wisdom. His own conversion came under the impact of hard facts—at Geneva and Paris in May and July—and also after what was said to be a stiff paternal lecture from President Eisenhower. The President is believed to have admonished the Secretary of State to make partnership the key to his relations with our friends and Allies. Certainly President Eisenhower's own attitude has always been most perceptively and sincerely fraternal. Secretary Dulles has not always had that point of view. Now he has acquired some of it, at least, and the success with which it worked most recently at London and Paris encouraged him to refer to partnership appreciatively at the televised Cabinet meeting.

Many of us, no doubt, are repelled by some of the elements of vulgarity evinced in mass communication. But the televised session of the Eisenhower Cabinet was a memorable experience: dignified, graphic, impressive, even historic. Such a meeting can be shown with complete decorum. The paraphernalia of lights, cameras, cables, need not even be visible, if a suitable room has been fitted out, as was not the case this time. But to take the people of a whole nation inside a Cabinet chamber, to permit them to listen to grave deliberations with the interplay of mind and personality, is an experience of altogether exceptional impact. Of course it would not do all the time. But what a record for history! What a superb heritage—for use twenty-five years later, say—if the meeting of the British Cabinet upon the declaration of war in 1939 or some of the great meetings of 1940—had been recorded on film and preserved for people to see and hear some day or other. This is, of course,

a gratuitous observation.* Other U.S. Cabinet meetings are not scheduled to be televised, and probably they will not be recorded. Congressional sessions will not soon be visually broadcast, even if hearings sometimes are. And yet the time is coming when the vivid, penetrative medium of television will be used to catch and generalize some of the great moments of national experience. The excerpts from United Nations' sessions already being visually broadcast in the United States are frequently very evocative and moving. For an audience of many millions to see the sledge-hammer resistance of Mr. Vishinsky, the rapier-flashing of Mr. Krishna Menon, and the dashing tactics of Mr. Cabot Lodge is of great educational and entertainment value. So it was when Secretary Dulles told the story of the Paris agreements to his colleagues—and to some tens of millions of other Americans.

Generally speaking, the United States supports the rearmament of Germany as a calculated risk. Few deny that dangers of resurgent militarism are substantial. But it is hard to see how the prerogatives of sovereignty can be indefinitely denied Germany in a nationally oriented world. And Germany must have some elements of self-defense unless the free world's defense against communist aggression becomes much greater and more operative. Signs of deeper Franco-German rapprochement through the possibility of growing economic and cultural contacts are all warmly welcomed. It is hoped that the ancient roots of misunderstanding may perhaps be weakened. There is also lively hope that M. Mendès-France will be able to improve France's own economic position, for this is recognized as an important cause of internal and external discontents.

Largely hidden within American thinking, there is dissatisfaction with our China policy. At the very least, it is palpable that we are getting nowhere with our present policies, even if we are holding the line. Most Americans reject the two extreme alternatives: of giving Chiang Kai-shek enough support to mount an effective attack on the mainland, which is out of the question, or of going to the opposite extreme of total appeasement of the Chinese Communists. The present policy, somewhere in between, is singularly unproductive. More and more frequently, voices are raised timorously calling for recognition of the Chinese Communists and their seating at the U.N. But such opinions are far from effective, and few Congressmen would venture to express such views. It is simply a growing feeling of dissatisfaction with present failures. Whether there will be any response, and what it could be, remains to be seen.

McCarthyism in Retreat

BEFORE these words are read, the Senate will have convened to vote on the motion of censure proposed against Senator McCarthy. The session is likely to be emotional and disruptive. Naturally Senator McCarthy and his

* It is unnecessary to express agreement or disagreement with our American correspondent. Since the United States does not profess the British doctrine of collective Cabinet responsibility to the legislature, the President's Ministers are in a different situation from the Queen's. It is fundamental to the British constitutional system that all opinions expressed in Cabinet are protected by the Privy Councillor's oath of secrecy.—

Editor.

friends will defend his position with every resource at their command. They are not anything like a majority of the Senate. If the motion comes to a vote, he will probably be censured. But he may becloud the issues greatly, and it is possible that a vote will be sidetracked in some way. Whatever happens, there is a strong feeling that Senator McCarthy has really shot his bolt, and will never again be the apparent force on the American scene that he was in 1953 and early 1954. The atmosphere is much better—before the Senate session begins. The Senator has been quiet for many weeks. By January it will be possible to tell whether McCarthyism is under control . . . or not.

Finally a word on the national economy. It is clear that the Eisenhower Administration, by skillful fiscal policies and its sympathetic attitude towards business, has helped measurably to cushion the transition between an economy supported by the Korean War and an economy much nearer a peace-time basis. Yet the degree of recession there has actually been was the cause, more than any other particular factor, of the defeat of some Republican members of Congress. The fact remains that an important economic change-over has taken place with a minimum of difficulty. This is important, since the stability of the American economy is meaningful everywhere. There is no reason to prophesy severe slumps in the immediate future: most indices are encouraging. But it is a buyer's market; labor's take-home pay is not likely to increase or to regain the overtime heights of the war years; and the rigors of largely normal economic influences may be expected. No boom is probable, no bust is likely. Government appraisers think 1955 will be a little stronger than 1954. The outlook seems to be very stable, which is itself deeply encouraging.

And this note of stability, after the elections, really dominates the American scene.

United States of America,
November 1954.

AUSTRALIA FACES ASIA

THE BACKGROUND OF S.E.A.T.O.

IN the six months or so from the calling of the Geneva Conference on Korea and Indo-China to the signing of the South-East Asia Collective Defence Treaty in Manila, Australia was perhaps more deeply involved in issues of external policy than in any comparable period in her peace-time history. The extent to which the Australian Government was involved might be gauged from the fact that the Minister for External Affairs, Mr. R. G. Casey, in this period, not only spent much time in London, Washington and Geneva, but also found time to visit most of the capitals of South and South-East Asia. Public interest was reflected in the prominence given by the press to the events surrounding the Geneva and Manila meetings and in the frequency and forcefulness of editorial comment. In the Commonwealth Parliament there were several debates on foreign affairs, though, for reasons which will be discussed later, little attention was paid to foreign affairs in the campaign for the general elections held on May 19.

It could be said generally, both of governmental policy and of the public reaction to events and to policy statements, that they revealed an underlying conflict of ideas perceptible in all the democracies during this period. On the one hand, there was an awareness that events in South-East Asia, and particularly in Indo-China, constituted a growing threat to Australian security and that the situation demanded an effort to impose some barrier to the further southward extension of Communist power. On the other hand, there was a reluctance to take any hasty step implying an abandonment of the hope of avoiding a new major conflict with the Communist Powers. There are traces of this conflict in Mr. Casey's comment on the decision to call the Geneva Conference:

It would be folly for the free world to close its eyes to the fact that there has been no evident change in the final objectives of international Communism. But by meeting together we can test out the possibility that it will suit Communism no less than ourselves to live at peace, despite the great differences in objectives which separate the free world and the Communist powers.*

It would seem from this statement that Mr. Casey was prepared to make one final test of the possibility of peaceful coexistence before finally committing himself to a policy based on the assumption of Communist intransigence.

This was an understandable attitude, but it had two weaknesses. The first lay in the assumption that the United States, without whom no defensive alliance against Communism in South-East Asia could be effective, would be willing to wait until there had been a further test of Communist intentions. The second weakness lay in the fact that, at Geneva, the non-Communist

* *Current Notes*, March 1954.

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* *Current Notes*, March 1954.

Powers were negotiating in the shadow of defeat and that any further deterioration of the French position in Indo-China would increase the difficulty of concluding a satisfactory defensive arrangement in that area. Mr. Casey seemed to see this second weakness clearly enough:

The urge to see an end to the fighting is very understandable [he said], but it is important that any settlement should not be on terms which mean that Vietnam (and possibly Laos and Cambodia) are swallowed up soon afterwards into the Communist empire.*

The first of the weaknesses mentioned above became apparent when Mr. John Foster Dulles on March 29 proposed "united action" to halt the Communist advance in South-East Asia. Though no official Australian comment on Mr. Dulles's proposal was published, it became apparent from unofficial reports that the Australian Government was supporting the view taken by the British Government, which was that, until the outcome of the Geneva Conference was known, there should be no attempt to concert plans for a defensive alliance. At first most Australian press comment was favourable to this attitude, but, as cabled reports from Washington suggested with increasing frequency that United States official opinion was reacting unfavourably to the seeming lukewarmness of the response to Mr. Dulles's proposals, and that the United States Administration might lose interest in the idea of a collective defence scheme for South-East Asia, the tone of comment began to change. There was manifestly a fear that the policy the Australian Government was pursuing would lead to a twofold débâcle—the establishment of the Vietminh in a dominating position in Indo-China, and a refusal by the United States to underwrite a collective defence scheme designed to prevent a further southward extension of Communist power.

Geneva and Colombo

ONE other factor contributed to the uncertainty of Australian policy in this period. In his book *Friends and Neighbours*, published in April of this year, Mr. Casey laid particular stress on the importance attached by the Australian Government to relations with its Asiatic neighbours.

We have come to regard it as one of our important tasks to develop close and friendly relations with the new and independent States that have lately come into existence throughout South and South-East Asia. We have set up diplomatic posts in all these countries. The growth in Australia of a conscious desire to get to know and understand the countries to the north and north-west of us is a product of the last seven years.†

The week that saw the opening of the Geneva Conference also saw the opening at Colombo of a conference of Asian Premiers convened by the Government of Ceylon, and it was apparent from the proceedings of this latter gathering that the Asian countries were keenly and critically interested in the proceedings at Geneva and the proposal for a collective defence arrangement in South-East Asia. Since the Governments represented at

* *Current Notes*, April 1954.

† R. G. Casey, *Friends and Neighbours*, p. 26.

Colombo were not represented at Geneva, Mr. Casey regarded it as his duty to draw attention to their views. In an interview reported in the Australian press on June 7 he said that:

He felt Australia had a duty in the international discussions on Indo-China to keep emphasizing that no solution to that problem could be lasting or effective unless it had the moral backing of the other peoples and governments in South-East Asia.*

No comprehensive statement of Australian policy was made before Mr. Casey's departure on April 12 for the Geneva Conference, but, from various statements made by Ministers before and during the conference, it could be inferred that the Australian Government's attitude was compounded of four elements. The first was a desire to make one further test of the possibility of peaceful coexistence with the Communist Powers. The second was a desire to secure a collective defence agreement covering South-East Asia. The third was a belief that circumstances had laid upon it the role of reconciling British and United States policy in South-East Asia. The fourth was an appreciation of the dangers inherent in any attempt by the Western Powers to arrange the future of South-East Asia without regard to the susceptibilities and policies of the independent States of the area.

The Australian Government has thus cast itself in an exacting part, involving a certain degree of detachment from the United Kingdom on the one hand and from the United States on the other. It was a delicate part because Australia was never in the status of a principal. In the last analysis her security depended upon her relations with the United States, but it was never safe to assume that the United States Government would pursue no policy which had not the acquiescence of Australia. The task before Australian diplomacy was thus to seek such modifications of United States policy as might render it more acceptable to the United Kingdom and the independent Asian States, particularly India, but not to pursue this quest to the point at which the United States might lose interest in the creation of a collective defence arrangement for South-East Asia.

Mr. Casey left Australia on April 12 and, before the opening of the Geneva Conference on April 26, had had preliminary discussions with British, United States, French and Vietnam leaders. At Geneva he emphasized that Australia was concerned with the Korean problem both because Korea was "one of our neighbours" and also because, as a member of the United Nations, Australia accepted "the responsibility of furthering its policy in Korea".† Mr. Casey regarded the Chinese demand for a complete withdrawal of foreign troops from Korea before the holding of free elections as unacceptable and thought that "some United Nations forces will be needed in Korea until a unified and independent government has been democratically established".‡

Meanwhile, in Australia the deterioration of the French military situation in Indo-China and the growing impatience in Washington at what appeared to be the equivocal attitude of America's allies was being watched with

* *Sydney Morning Herald*, June 7, 1954.

† J. K. White Paper, Cmd. 9186.

‡ *Ibid.*

growing anxiety. While there was no general press analysis of the developing situation, the *Sydney Morning Herald* praised as "reasonable and realistic" Senator Knowland's demand that America's allies should say "in advance of any aggression" what contribution they were prepared to make to the defence of South-East Asia.* "For America and Britain", said the *Herald* in an editorial, "the defence of South-East Asia may be seen as strategically desirable; for France it is a matter of national prestige; but for Australia it is life or death. If the cork is forced out of the bottle, in Mr. Eisenhower's graphic phrase, and aggressive Communism floods over the peninsula into Indo-China, Australia will be placed in immediate and deadly peril. The security of South-East Asia is Australia's security."†

Mr. Casey's Second Innings

THERE was scarcely any reference to foreign policy between May 7, when Dien Bien Phu fell, and the date of the Australian elections (May 29). This attitude was a matter of some comment, usually adverse, during the campaign. It was not due to an understanding between the parties; nor did it reflect, as some commentators alleged, a general indifference to the issues that were being decided in Geneva and on the battlefields of Indo-China. Primarily it was because of the Government's desire to be free to enter defence commitments with the United States. It was also due to the fact that these issues tended to cut across party divisions. In the Labour Party, for instance, one group was suspicious and resentful of United States policy, which it felt might fan the Indo-China war into a general conflagration; while another group regarded the United Kingdom policy as one of appeasement and was critical of the Australian Government's failure to respond whole-heartedly to Mr. Dulles's plea for "united action" to stem the Communist advance. This latter view appeared mainly in the organs of the Catholic Church, which has a long historical association with the Labour Party.

The Government and its Minister of External Affairs were returned to office, and on June 7 Mr. Casey set out on his return journey to Geneva, copiously and variously advised by the press. The *Sydney Morning Herald* thought that Australian policy towards South-East Asia was "very imperfectly defined" and called for a defence pact and for positive Australian commitments.‡ But it was still opposed to direct intervention in Indo-China while there was any prospect of a negotiated settlement. The *Melbourne Age*, on the other hand, significantly headed its leading article "Mr. Casey as Mediator" and pressed for a further effort to persuade Washington to modify its opposition to recognition of the Peking régime.§

In the month that had elapsed since Mr. Casey's departure from Geneva much had changed. The conference had made no headway with the problem of Korea; the only question was whether there was any point in continuing the discussions. A negotiated settlement on Indo-China seemed more prob-

* *Sydney Morning Herald*, April 29, 1954.

† *Sydney Morning Herald*, June 4, 1954.

‡ *Ibid.*

§ *Age*, Melbourne, June 8, 1954.

able—but only because it was clear that the French were prepared to pay almost any price for peace. Perhaps the best indication of the direction of events was the opening on June 3 in Washington of military staff talks on the situation in South-East Asia by representatives of the United States, the United Kingdom, France, Australia and New Zealand.

Mr. Casey travelled back to Geneva by way of Delhi and Karachi, and, in Calcutta, informed the press that he had “a new plan” to discuss with Mr. Nehru. “Actually you cannot call it a plan, but what I want to discuss is a series of points with Mr. Nehru, then with Mr. Eden, then with General Bedell Smith.”* In Karachi he spoke further on the matter. “We want”, he said, “to get a negotiated settlement if it is humanly possible. If all negotiations fail, we will have to think again very hard.” Back in Geneva, Mr. Casey said that the free world “should draw a definite defence line in South-East Asia” if the Geneva Conference failed. “If that happens it will be the Communists who drive us to it. A little compromise on their part here and it might not have been necessary.”†

In Australia these utterances produced a chorus of alarm.

Mr. Casey . . . [protested the *Sydney Morning Herald*] has . . . given the impression that Australia's interest in “firm defensive arrangements” is lukewarm and conditional, and might even evaporate altogether if there was “a little compromise” on the part of the Communists on Indo-China. . . . Meanwhile, there is evidence that the American interest in a South-East Asian security pact which Mr. Casey applauded is cooling fast. For this, Australia's failure to declare her support is partly responsible. If Canberra continues to shilly-shally, Australia may well prove the truth of the old adage “he who will not when he may, when he will he shall have nay”. It behoves Australia, in her own interest, to make her voice heard while there is still time to influence American policy.‡

This fear that Australian diplomacy was in danger of “missing the bus” underlay most of the newspaper comment at this period, but a few papers, including the Melbourne *Age*, continued to insist on the importance of trying to secure modifications of American policy which would make it more acceptable to the Asian members of the Commonwealth.

Meanwhile, the attempt to narrow the gap between Commonwealth and American policy had been transferred to Washington and to a higher level. The Churchill-Eisenhower talks began on June 23 and were followed on June 30 by a meeting of the A.N.Z.U.S. partners. Mr. Casey arrived in Washington before the conclusion of the Churchill-Eisenhower talks and had discussions with the British and American leaders on the situation in South-East Asia. It was perhaps significant that whereas the Churchill-Eisenhower *communiqué* registered an agreement to “hasten the planning of Asian defence against Communism”, the A.N.Z.U.S. partners committed themselves to “immediate action” to set up a South-East Asia collective defence system, thereby dispelling the impression created earlier by Mr. Casey that a more accommodating attitude on the part of the Communist Powers might render such a step unnecessary.§

* *Age*, Melbourne, June 12, 1954.

† *Sydney Morning Herald*, June 15, 1954.

‡ *Ibid.*, June 15, 1954.

§ *Ibid.*, June 30, 1954.

With the final breakdown of the Geneva talks on Korea on June 17, Australia's direct participation in the Geneva Conference ceased, since she was not directly represented in the negotiations over Indo-China. The terms of the truce agreement of July 20 brought home to Australians the extent of the Communist victory and indicated the urgency of the need for pressing ahead with collective defence plans for South-East Asia. Before the Geneva Conference, as has already been observed, Mr. Casey had said that any settlement of the Indo-China problem "should not be on terms which mean that Vietnam (and possibly Laos and Cambodia) are swallowed up into the Communist empire". On August 5, Mr. Menzies, in what is perhaps the most important statement on foreign affairs ever made to the Australian Parliament in peace time, began by warning his hearers that the most probable result of free elections in Vietnam would be to establish a Communist administration over the whole State. He continued:

We would do well, therefore, to consider the significance of Indo-China, not by assuming easily that the frontier of the Viet Minh is on the 17th parallel, but by contemplating that, before long, we may be forced to regard the Communist frontier as lying on the southern shores of Indo-China, within a few hundred air miles of the Kra Isthmus.*

A Tradition Superseded

MR. MENZIES then broke a long tradition of Australian policy by publicly committing the Commonwealth in advance to acceptance of military obligations with non-Commonwealth countries under the proposed South-East Asia collective defence agreement.

So far as we are concerned in Australia we must determine our own attitude and put it beyond doubt. We will become contributing parties. We will, in association with other nations acting similarly, accept military obligations in support of our membership. In the past it has been one of the traditions of the Australian Government that commitments are not accepted in advance; that such matters are for the determination of the Government and Parliament if and when the event of war occurs. . . . In the two great world wars, Australia had an opportunity to decide what it was going to do and enough time to assemble, train, equip and despatch armed forces. We cannot gamble upon this being our position any longer. . . . The first few months—indeed, the first few weeks—might do much to determine the issue. It is for these reasons that we have decided that, in any great defensive organization of the kind envisaged, we must accept military commitments. The nature of those commitments must be worked out in consultation with the other parties to the treaty.†

Mr. Casey had spoken of the Geneva Conference as a means of testing "the possibility that it will suit Communism no less than ourselves to live at peace, despite the great differences in objectives which separate the free world and the Communist powers". Mr. Menzies declined to see in the outcome of the conference any encouragement to the coexistence theory.

... there may be some who rather wishfully think that the Indo-China "cease

* Hansard: August 5, 1954, p. 65.

† *Ibid.*, p. 66.

fire" permanently reduces tension and that we may now spend less on defence. So little do we agree with this view that our estimates for this financial year already disclose a substantially greater availability of funds.*

Mr. Menzies's mood of sombre realism was, it seems, the mood of the Australian people as a whole. In Parliament his announcement that Australia would accept military commitments in any collective defence scheme for South-East Asia passed unchallenged. Indeed, the only substantial criticism of government policy came from Dr. Evatt, who argued that the Indo-China war should have been referred to the United Nations, and from certain members on both sides of the House who regretted that the earlier American initiative had not been supported. The Indo-China settlement was thus a turning-point, as it were, in Australian policy regarding South-East Asia. Before it, the story is one of caution, after it one of resolution; in the result the conclusion, without delay, of a collective defence agreement for South-East Asia.

The South-East Asia Collective Defence Treaty will presumably be discussed in the Commonwealth Parliament before long. Press reactions to it have been cautious and a little baffled. There has been some rather unreasonable disappointment at the failure to set up a military planning organization on N.A.T.O. lines and some uneasiness over the protocol placing Laos, Cambodia and Southern Vietnam under the protection of the treaty. But, so far, there does not seem to be much awareness of the fact that, in return for a degree of protection which is not easy to evaluate, Australia has involved herself, militarily and diplomatically, in the affairs of a region which will be politically unsettled for a long time to come. This, in short, would appear to be one of the occasions when it is incumbent upon the Government to educate Parliament and the electorate so that they may accept the responsibilities and the risks involved.

* Hansard: August, 1954, p. 67.

Australia,

November 1954.

IRELAND

EMIGRATION AND EDUCATION

OUR politicians are enjoying a much needed and well-earned holiday. This is therefore an opportune moment to discuss and examine two of our vital problems—emigration and education—which have recently been the subject of exhaustive reports and which are to some extent interlocked. These reports are of interest not only for the facts which they disclose but also for their failure to face the problems which are obviously involved.

The Commission on Emigration and Population Problems, whose report was published in July, was appointed in 1948 to investigate the causes and consequences of the present level and trend in population, and to consider the desirability of formulating a national population policy. It was composed of distinguished economists, statisticians, clergymen, doctors, authors and educationists, and presided over by Dr. James P. Beddy, himself an economist of repute. Several hundred meetings were held and intending emigrants were interviewed. The Majority Report was signed by twenty of the twenty-two members, and the others, the Most Rev. Dr. C. Lucey, Bishop of Cork, and Mr. J. F. Meehan, Lecturer in Economics at University College Dublin, submitted minority reports. The essential facts which the report discloses can be stated quite briefly. Demographically the position of Ireland is unique. While the population of most other countries has increased, our population, which is now only half what it was a hundred years ago, has remained stable for the last forty years, during most of which period we have had a native government. Our marriage rate is one of the lowest in the world and about a quarter of the population never marry at all—a proportion of celibates far higher than that of any other country. Yet with this small population we maintain an emigration rate comparable to that of over-populated countries like Italy.

Historically the process of depopulation began with the steep decline after the Great Famine of 1846–47, was aggravated by the disastrous crop failure of 1879–80, continued until 1891 and then began to diminish. In the period 1911–26 a further decline in the population occurred as a result of the First World War and the subsequent political upheaval in Ireland. Since then the population has been almost stationary with a tendency to decline. The most striking fact is that the decline over a period of one hundred years has been confined to the rural areas. Moreover, two-fifths of the entire present population are in the “dependent” section composed of the very young or the very old. This imposes a serious economic strain on the “active” section of the community. Under British rule the Irish economy functioned as part of a system of international free trade under which our principal industry, agriculture (then largely cattle-breeding), flourished, and there were a few other large-scale industries such as brewing and shipbuilding. Under native rule many small industries, which have virtually no export trade, have been laboriously built up behind a high tariff wall, largely at the expense of the

agricultural community, while agricultural production has in effect remained stationary. Between 1926 and 1951 there was a fall of 147,000 in the numbers engaged in agriculture and an increase of 104,000 in those engaged in manufacturing industry. Though the value of agricultural production has increased by 170 per cent since 1926-27 the increase is due almost entirely to an increase in prices and not in amount of production. Although industry shows a brighter picture, it does not provide an export surplus as agriculture does. Many of these small industries are sapping our agricultural economy by luring people from the land to the towns. Rural depopulation is further aggravated by our marriage rate which for nearly a hundred years has been one of the lowest in the world. "There is something gravely wrong", states the Majority Report, "in a community where there is such a widespread frustration of natural expectation." For this sad state of affairs the report, not without reason, blames various economic factors, particularly the late age at which most farmers' sons inherit their farms. No mention, however, is made of the exaggerated Jansenistic value placed by the Church in Ireland on the limited virtues of celibacy nor of its generally negative attitude to life, an attitude which permeates its entire teaching and is reflected in the lives of the people. An interesting example of this attitude is to be found in the condemnation by country bishops and priests of the amorous activities of courting couples ("keeping company" in ecclesiastical parlance) and of late night dances, all of which are promiscuously denounced as "occasions of sin", a description which might well be applied to life itself. As a young Catholic Irish poet has recently written in bitter words:

No, but come to the land where the mediaeval
Dread of the woman, mutters in corners,
Thunders from the pulpits, where the only evil
Lacking for sinfulness is love.*

On this subject the Commission is silent. But it plays a big part in the reasons for our people's exodus to other lands and freer surroundings. Our birth-rate, however, remains normal, and our fertility rate is one of the highest in the world.

Much controversy has been aroused by a recent book called *The Vanishing Irish*, a collection of essays edited by an Irish-American priest which emphasizes the darker side of the population problem, but which, though valid in many of its criticisms, is not accurate in its statistical conclusions. So far as replacement of population is concerned the most trustworthy guide is the female net reproduction rate (namely the rate at which women now in child-bearing ages are reproducing themselves in the next generation) and so far as this is concerned the Irish rate is above that for other countries: so we are not likely to vanish yet awhile!

Emigration

EMIGRATION is the real enemy. Net emigration between 1926 and 1951 totalled over 470,000. Persons of Irish origin in the U.S.A. alone were

* 'O Come to the Land' by Patrick MacDonogh. *Irish Times*, Sept. 11, 1954.

in 1940 about 2 per cent of the total population. Of late years, however, the flow of our people has been to Great Britain where no restrictions on entry exist, as they do in America. The causes of emigration, as the Commission point out, are twofold, namely, "push and pull"—"push" being the lack of employment and opportunity at home, and "pull" the forces of attraction, both social and economic, in other countries. The complex interaction of these forces constitutes the principal difficulty in finding a solution for the problem. The Commission concentrated with almost Marxian fervour on the economic deficiencies of the Republic. The increase of agricultural productivity, they rightly contend, ought to be the primary aim of national policy. But to promote this object they can only suggest further government interference by the creation of a Land Utilization Body with an appropriate Minister, the setting up of an Investment Advisory Council, and sundry other schemes for the reclamation and development of the land. All this will only lead to confusion worse confounded. If any result is to be obtained it is necessary to strike at the roots of the evil, to remove the existing tariff shackles, educate the rural population for their vocation and not for export, and let the farmers, through their own organizations, get on with the work.

This is in effect the gospel preached by Dr. Lucey, the Bishop of Cork, in his Minority Report. He deems it imperative that many of the powers now reserved to the Department of Agriculture should be placed as soon as possible in the hands of organized agriculture. In support of this view he cites the example of Denmark, where agricultural education, research, advisory services, marketing and production are all controlled by the farmers' organizations, which have achieved spectacular results. Dr. Lucey forgets, however, that the Danes have behind them more than a century of adult education in their splendid folk schools, and that he himself has recently stated publicly that the Irish rural workers should not be allowed to attend vocational schools between fourteen and twenty-one. Moreover, he also eventually supports his colleagues' demand for a Land Utilization Body and makes the (for him) startling statement that as between a large population at subsistence level and a smaller population at comfort level we should prefer the smaller population. It is difficult to see how these results could be obtained without either the present low marriage rate—or else birth control. In short both the Commission and Dr. Lucey over-simplify the problems they had to consider and seem to believe they can be solved solely by economic means. The experience of other countries suggests that a rising standard of living due to increased production is usually related to a decline in the birth-rate. Already such tendencies are visible here. It is a fallacy to assume that with a rising standard of living as a result of increased productivity our population as well as our emigration problems will automatically solve themselves. Such a solution demands much harder thinking and more far-reaching measures than we seem prepared to consider. Our limited resources, as well as our deep involvement in the British economy (which we studiously ignore), forbid an exclusively economic approach to our problems. We must in fact be prepared to accept a moderate standard of living till our agricultural productivity has been greatly increased and the effects of thirty years of

misdirection in economic policy are eradicated. In the dairy market, for example, we have to try and recover the ground lost to Denmark, Holland and New Zealand through our wrong-headed indifference. All classes, but particularly the middle classes—in which must now be included organized labour—must be content with their present standard of living. The Government must be prepared to take, and carry out consistently, long-term, and (if necessary) unpopular, decisions. This may be too much to expect, but nothing less will suffice. To let things drift, as we are doing at present, may well be fatal to our people and our economy.

Education Problems

THE most cogent and courageous part of the report is the addendum by the Rev. Thomas Counihan S.J. in which he discusses the impact of our present educational system on the demographic situation. He points out that the curriculum of our primary schools is overcrowded. As a result standards have fallen, essentials such as the formation of character, discovery of natural aptitudes, zeal for work, tend to be neglected. Two-thirds of the primary pupils seek no further education. Moreover, agricultural instruction is in a miserable state and vocational education severely handicapped because the pupils coming from the primary schools are not able to follow technical instruction. Interest in manual work and all that pertains to farm, garden and house was what was most needed if our young people were to remain at home. Father Counihan points out that love for the Irish language has been almost killed by the teaching methods adopted. The children thought in one language and were taught in another. They were taught that winning scholarships, securing jobs and obtaining promotion were the main goal in life. The Irish language was to be the stepping-stone to material success. Little wonder it was dropped as soon as that goal was reached. He sarcastically remarks that as well over half the members of the Commission were connected with education they were "amazingly modest" in claiming, as they did, no special competence to make either a general or a particular pronouncement on the subject. But even Father Counihan himself displays characteristic ecclesiastical prejudice in objecting to the co-education of boys and girls in our vocational schools. The Report of the Council of Education (an advisory body established in 1950), recently published, is as disappointing as that of the Population Commission, being little more than a tepid rehash of the official viewpoint. The Council favours the use of Irish as a medium of instruction where the teacher is competent to teach through Irish and where the pupils can assimilate the instruction so given. Of how many schools is this true? They recommend that the teaching of Irish should in any event be introduced from the beginning, but that English (at present optional) should also be an obligatory subject in all infant classes. Through an amusing misprint the report refers to Irish as "an *inflicted* language". This, at present, is not far from the truth. English-speaking children, constituting the overwhelming majority of our school children, who have been taught other subjects through the medium of Irish on the false ground that it is the vernacular are well aware that this is untrue. Such a perversion at source is

both dishonest and confusing. It may well colour the child's whole moral outlook. The primary purpose of education is the formation of character. To teach children that black is white is to "poison the wells" of truth and integrity. A Minority Report by Canon Harvey, Dr. Henry Kennedy and Dr. Patrick Moran states that the attempt to revive Irish in the primary schools has had a very serious effect on educational standards, and that it should not be introduced as a subject before the age of ten in accordance with sound educational practice.

Another vital educational question is raised by the forthcoming establishment, with American aid, of an Institute of Agriculture. Congress has agreed that £6 million, being the Counterpart Fund of the E.C.A. Grant, shall be spent on the establishment of this Institute and on schemes for agricultural development and improvement. The full details have yet to be worked out by a commission representing the two governments. £1 million is to be spent on the new Institute. Macra-na-feirme, the strong and active Young Farmers Association, urge that the Institute should be independent of the Department of Agriculture and that the governing body should consist solely of farmers and have no political ties. This sensible suggestion, based on Danish practice, is hardly likely to find favour with our powerful bureaucracy. The farmers maintain that, instead of spending the money on expensive new buildings, the new Institute should co-ordinate and direct the work already being carried on in the agricultural colleges and universities. They are opposed to the plan of appointing parish agents under the control of the Department of Agriculture, which is favoured by Mr. Dillon, the Minister for Agriculture, and insist that such agents should be controlled and directed by the new Institute. Without the farmers' support this new project can hardly succeed.

Ignoble Impotence

THE best political "howler" of the quarter was perpetrated by young Mr. Declan Costello T.D. who, speaking at the Council of Europe (now our sole external forum), declared that if Britain took a more active role in European defence we should be able to find a solution of the present crisis. He omitted to point out, however, that, on the initiative of his distinguished father, we had renounced our influence in the councils of the Commonwealth, the only place where we could have insisted on such a policy. We thus remain impotent and ignoble spectators in a crisis which threatens the very basis of our culture and civilization.

Ireland,

November 1954.

INDIA

RETREAT FROM THE WEST

FOR reasons rather difficult of specification, a mildish breeze of not very cautious optimism is now blowing over India. Infinite indeed is the capacity of our leaders for deriving satisfaction from invisible, possibly non-existent, sources. (A recent example is the way the House of the People—now called Lok Sabha—cheered when the Railway Minister revealed the survival of a Member of the Sabha travelling on the train which was wrecked near Hyderabad—this immediately after the Minister's sombre announcement, which the Sabha heard without emotion, that 73 passengers had been killed and 72 injured in the same accident.) That this mood of optimism is in sharp contrast with that of almost every other country in the world worries few Indians; they see in it the spiritual bankruptcy of the West; they have persuaded themselves, aided by Mr. Nehru, that the rest of the world is in the grip of fear, from which psychological malady they are themselves somehow free. Here in India the food position is good, the balance of payments not too bad, Mr. Nehru has been in China and—it is concluded—all's well with the world. Or, at least, with India.

It should be added immediately that nothing has on a sudden gone wrong in recent months. A few things have, in fact, gone rather well—the Five Year Plan, for instance, of which the third annual progress report was recently published. What has contributed most to the prevalent mood of near-complacency is the negative factor that time has worn the edge off many outstanding problems. The list of these latter is long and familiar—Kashmir, canal waters, evacuee property, the dispute with Ceylon, the French and Portuguese possessions in India, defence against internal and international Communism, worsening Indo-American relations, &c., &c. They all remain in varying stages of suspended animation, at least so far as India is concerned; some of the problems are being solved by the more positive-minded without awaiting Mr. Nehru's consent; all of which only increases India's isolation and her sense of injured innocence. Indeed, not in recent centuries has this country been so far removed from the main currents of history. As is well known, the cycles of Indian history, usually reckoned as three, are really the periods of India's successive affiliations with some of the greatest movements in world history. As at least one not inconsiderable interpreter of Indian history has put it, "The greatest paradox connected with India is that for a country geographically so well marked from the rest of the world and so self-contained, its history is inextricably interwoven with the strands of universal history." If present indications are any guide, for the first time an effort is being made to detach India from the running stream of history, and to make her obey what, in this age of scientific triumphs, are no longer the dictates of geography. If the effort fails, it will not be because Mr. Nehru has not tried. At least one of the dominant movements of current history

must also be held partly responsible for contributing to Mr. Nehru's success: to wit, the democratic alliance led by the United States.

India has a Case

NO great importance attaches to the manner in which Mr. Nehru and his policies (especially the former) are treated in a section of the European and American press, although it is doubtful if it is realized by the gentlemen concerned how deeply some of the attacks hurt and offend not only Mr. Nehru but also the majority of the Indian people. The latest was the way India was subjected to a barrage of criticism for her renewed request for the return of Goa by Portugal; of the more frivolous kind, though not less wounding on that account, a recent example was Mr. Christopher Hollis's singularly unfunny verse called "MacGandhi" in *Punch* of September 22. Looked at from India, world opinion does seem greatly prejudiced and unduly unsympathetic; often disproportionately hostile. In all the attacks one sees in the foreign press, it is rarely mentioned that India has a case, that whilst there are questions India cannot answer there are others which world opinion does not even attempt to answer. Inevitably, the latter seem more important to the Indians, for it is they who pose them. But as long as India's own questions remain undisposed of, she is entitled to think the rest of the world cussed and interestedly inimical. In his recently published year-long correspondence with Mr. Mohammed Ali, Prime Minister of Pakistan, Mr. Nehru confessed to a "feeling of frustration" at the end of it all; the same is India's reaction to world opinion, to which India once attached a significance out of all proportion to its capacity to shape the course of events and to which she now appears completely indifferent, sometimes defiant. For this latter attitude there are reasons which can be ignored by world opinion, and that "collective conscience of nations", the United Nations, only at the risk that one-half of the world's population (comprising India and China) will be less and less respectful and responsive to any possibility of solving the conflicts of nations at an international level.

Kashmir is as good an example as any other. The world at large, even that part of it which calls itself liberal, has apparently decided that nothing delays a plebiscite in Kashmir except Indian intransigence. Yet Mr. Chester Bowles, a former U.S. Ambassador in India, was recently reported as saying, "India's position in the Kashmir issue is morally and legally unassailable." Not everyone will go so far as that, but who would guess from the usual accounts of the dispute in the world press that India has a case at all, let alone a moral and unassailable one? Indians are often asked, "Why are you in Kashmir?" They have not got a wholly satisfying answer; but they have a whole armoury of questions as difficult for the others to answer. Indians are entitled to complain, for instance, that in the confused debate which continues the initial fact of aggression by Pakistan has somehow been forgotten by foreign judges. It was a United Nations commission which recorded that Pakistan had participated in the attack first started by the tribal hordes; the fact was long denied by Pakistan—to the Indian eye an instance of inexcusable dishonesty which world opinion excuses—until it was impossible to conceal it any

longer. What had happened in Kashmir, and it is this which brought India into the picture, was a wanton attack launched with the aid and abetment of a neighbouring Power, namely, Pakistan. To this day the aggressor remains unnamed and unpunished, in striking contrast with the prompt action against North Korea. Secondly, so far as Pakistan is concerned, she is not entitled to question Kashmir's accession to India, for the act was accomplished in strict accordance with the procedure agreed upon by all three parties to the Act of Indian Independence: India, Pakistan and Great Britain. The ruler's consent was enough according to that procedure, and it is India who—out of what seems to Indians sheer generosity and respect for democracy—made that accession conditional upon popular consent, which, be it remembered, she was under no obligation to promise. All this took place when India's Governor General was a Briton. Thirdly, India herself referred the dispute to the United Nations—she was the complainant although the subsequent confusion of issues today makes her look almost like a defendant found guilty—and this when the military situation was entirely in favour of India, so that both the truce and the reference to U.N. are, to the Indians, acts of goodness and good world citizenship.

India's refusal to hold an immediate plebiscite in Kashmir under international supervision is open to any number of adverse interpretations, for some of which India has herself to blame—if only because she is now caught in the web of her own hasty undertaking—but to the Indian ear at any rate Pakistan's protestations in the name of democracy must sound a little hypocritical, for inside Pakistan a whole province, containing the majority of the population of Pakistan, has been ruled in the most flagrant violation of a democratic verdict against the party in power. Indians can cite other instances, inside and out of the British Empire, in which democratic governments have been superseded in the name of law and order or of Communism. It is unfair, the Indians can argue, that India alone should be called upon to lay herself open to democratic elections under international supervision when no other country—and there is not a single exception—is prepared to do anything remotely like it.

In the foreign mind, however, perhaps the decisive fact is that Kashmir is predominantly Moslem and should, therefore, go to Pakistan, for India has already accepted partition on the basis of the Muslim League's two-nation theory. It would be an error to think that India has not a perfectly plausible answer to this as well. First, Pakistan has not yet indicated, publicly at any rate, that she is prepared to accept a partition of Kashmir, for even in that State certain areas are predominantly Hindu, such as Jammu and Ladakh. Pakistan's attitude is that she wants a plebiscite in the whole of Kashmir, and to this there are obvious and just objections. Secondly, India never accepted the two-nation theory. If she had, Pakistan might not have existed, for there are more Moslems in India now than there are in Pakistan and they are living here in greater security and comfort than the Hindus in Pakistan; the number of Hindus remaining in West Pakistan is very small, a few hundreds; and from Eastern Pakistan India every day receives a steady stream of Hindu refugees. Mr. Nehru is too good a secularist ever to have thought of it, let

alone holding it out as a threat to Pakistan; but if a future Government of India did in fact accept the two-nation theory and confronted Pakistan with its logical consequences, there is reason to think that Pakistan would be the first party to shy away from it, for the resultant refugee problem would overwhelm Pakistan in less than a week. This is a most destructive line of thought, criminal in its implications, but Pakistan would be ill advised to take Indian secularism for granted or to base its policy on an excessive reliance on an indefinite continuation of the liberalism to which the Nehru Government is sincerely committed. Communalism breeds communalism, and Mr. Nehru's successors may well have less patience with the present position in which Pakistan pursues for herself an intensely communal policy and at the same time profits from India's secularism.

For liberal opinion abroad, there is yet another question to consider. Pakistan's political instability, which started with the astounding electoral defeat of the Muslim League in Eastern Pakistan and of which the latest indication took place in Karachi in the last week of October, makes that State look like conforming to the well-known pattern of Middle-Eastern politics. Whatever the people of the Kashmir Valley may decide (and they have *not* stated that they are anxious to join Pakistan), does liberal opinion seriously think that India—stabler, more democratic, more progressive in her political and economic ideas—would be a worse choice than Pakistan, which is theocratic, unstable, retrograde, and now helplessly dependent upon foreign aid? Will Kashmir's accession to Pakistan, which will leave India with a permanent sense of injury, be a gain for democracy and freedom? After seven years, Pakistan is without a Constitution, except that bequeathed by British rule, and the moribund and unrepresentative Constituent Assembly was dissolved the other day, so that Pakistan will continue to be autocratically ruled for quite a while yet; India's Constitution guarantees to every citizen absolutely equal rights irrespective of caste, creed or religion. And, economically, India is making great strides. Does world opinion want people to decide their destiny in accordance with medieval criteria, or according to ideas closer to our time? Opinion in Europe and America must consider all these before more tears are shed for the alleged underdog called Pakistan. The present writer himself does not accept all the arguments put forward by the Indians in their dispute with the Pakistanis, but he must confess that he finds it less easy than some others to make up his mind irrevocably in favour of Pakistan on all counts; in any case, he thinks it only fair that Indian arguments should be set before the world as frequently and as forcefully as are Pakistan's.*

Postscript After Peking

MR. NEHRU returned from China on November 2 after a twelve-day visit, strenuous in its own way but also pleasant. Before leaving the country he had complained of fatigue, as well he might. No man works harder—eighteen hours a day, according to some reports; and that in the

* A note on Pakistan's view of this dispute will be found on p. 99. THE ROUND TABLE refrains at this time from expressing an opinion on the difference between its Indian and Pakistani correspondents.—*Editor*.

trying climate of Delhi which, for most of the year, is either too hot or too cold. He has not yet learned how to ration a Prime Minister's time according to priorities, nor will he let his secretaries do it for him. Public and social functions which could so easily have been left to other men occur daily in his routine. Public speeches are probably a psychological and spiritual need with him, for he must bathe in the masses at frequent intervals. Finally, his share in the day-to-day administration must also be considered too large. It is common knowledge that not only does he look after his own portfolios (Foreign Affairs, Defence, Commonwealth Relations, and Planning) but few important decisions are taken in the other Ministries without his detailed examination and final approval. A newspaper thought nothing of reporting from its Delhi correspondent on the day of Mr. Nehru's departure that everything in the Government of India would be in a state of suspended animation "for the duration" of Mr. Nehru's absence. It was a reflection on his colleagues which they did not seem to mind. It was also a criticism of Mr. Nehru's inability (or unwillingness, which would be worse) to distribute responsibility. Of this latter Mr. Nehru seemed to take some notice before leaving. He thought aloud on the subject, and dropped a hint that he might give up, at least temporarily, some of the many offices he now holds. Everyone concluded that he was thinking of handing over the presidency of the Congress Party to some other man. He surprised everyone by telling a newspaper reporter later that it was rather the office of Prime Minister that he had in mind—but "of course" he would not do anything "without full consultations with the colleagues". He went to the length of issuing a circular to the State Congress Committees asking for their reactions.

As could have been foreseen, there were no reactions; there was only one reaction. Everyone said Nehru was indispensable. But, if he must relieve himself of some of his responsibilities, they said, those will have to be of the Congress organization. The Government, they said, Mr. Nehru must continue to lead. As it happens, they are right. Mr. Nehru said in a recent statement that the oft-asked question "After Nehru, Who?" annoys him. The question had indeed been asked often, as it still is. Sometime ago Mr. Nirad C. Chaudhuri, that disturbing commentator on Indian affairs, posed the more serious question, "After Nehru, What?" Mr. Nehru has indicated that he likes the second question less than the first. The questions, however, remain unanswered.

Those who saw him in Calcutta say that he was looking much refreshed and more vigorous than for some time past. Meanwhile, the sudden death of Mr. Rafi Ahmed Kidwai during Mr. Nehru's absence has depleted his Government further of much talent, for Mr. Kidwai had proved by his dextrous, if unorthodox, handling of the food problem that his equals were not many in the Cabinet—which now adds further to Mr. Nehru's indispensability. In the coming months Mr. Nehru may indeed loosen his control over some of the less important offices, but it is almost certain that he will continue to be at the helm of affairs for a long long time yet. The Chinese holiday appears to have added to his already astonishing fitness to do so.

But, surely, the visit to China—described by Mr. Nehru himself as "an event of historic significance"—was no mere holiday. Mr. Nehru made a

public speech in Calcutta within two hours of his return from China; unfortunately, not even the closest reading of the text of the speech (which was as usual extempore) enables one to say precisely what was accomplished at Peking. Discussions will shortly be opened for a telephone link and an air service between India and China. Besides this, there is not one single precise announcement on the talks with the Chinese leaders. He said in the Calcutta speech that the object of his visit was not primarily political. Despite references to the ruins of Hindu temples he had seen in Cambodia and elsewhere, it seems unlikely that he went all the way to Peking to discuss history or archaeology. But if any agreement has been reached on the question of Chinese nationals abroad, or of the threat of international Communism, it has certainly not been announced yet. Iteration of Mr. Nehru's Five Principles, sadly reminiscent of Wilson's Fourteen Points except that five is a more manageable number, continues. The rest is eloquence, all of it vague. His visit, he had once said, had "no set purpose". Available evidence suggests that Mr. Nehru was able to contradict foreign press reports of "differences" between the guest and the hosts only because the former never carried any discussion to the point at which the latter might be obliged to say "yes" or "no".

But it is impossible to close this dispatch on this note, for in human affairs what happens is often no more important than what people think has happened. Mr. Nehru has permitted his people to think that his visit to China was at once historic and successful. He did indeed refer to the different ways China and India have chosen for their respective development; he did not omit to mention in the Calcutta speech that China had no opposition and no free Press, things he values. But the ultimate fact of a feeling of satisfaction remains, which is shared by the country at large. Reference has been made to the possibility of opening air and telephone links between China and India. By engineering or material standards, few things could be less important. And yet, they may mean a lot more in the long run. For a couple of centuries now India has looked exclusively Europeward. In Sanskrit literature there are references to Chinese silk, and China's chief religion was born in this country. But all these links were snapped long ago. The centre of the world had shifted. For centuries there was no line of communication between India and her Eastern neighbours. Is it possible that, without immediately breaking her ties with the West, India is seeking friends nearer home? It will certainly be easier to lose old friends than to make new. Ideological differences between India and China are real and many. Nothing may therefore come of all this. On the other hand, a good deal may—for a people can change its ideology (and none of us lives on the ideological level all the time) and a string of initials like SEATO may seem to many less alluring than the word, and the thing, Bread. This, they think, will come from closer relations with China. Quite wrongly, we know; but it has already been submitted that what people think is a fact, a determinant, in political affairs.

India,

November 1954.

CANADA

IMMIGRATION AND EMPLOYMENT

FOR obvious reasons, immigration always bulks large in Canada. But in a depression or recession it bulks even larger than usual. The plain man is baffled and irritated by the spectacle of thousands of immigrants being brought in while thousands of Canadian workers are being laid off; and if he has been laid off himself, he may jump to the conclusion that immigration did it. Add this to labour's chronic suspicion that cheap immigrant labour may be used to break down standards, and the French-Canadians' chronic fear that immigration may swamp them, and you have an explosive mixture. It says a good deal for the common sense and balance of Canadians generally that this year, so far, there has not only been no explosion but discussion of the question has been, on the whole, notably temperate.

For this has been a year of recession. Every month the indices of production and employment have been below last year, and every month the figures of unemployment have been far above last year. All summer long, National Employment Service figures of unplaced applicants for jobs have been a good 50 per cent above last year; and the Dominion Bureau of Statistics figures of "persons without jobs and seeking work" (though considerably lower than the N.E.S. figures) have been about 90 per cent above last year. Last winter, "persons without jobs and seeking work" reached a post-war peak of 318,000 (about 7.9 per cent of the total number of salary and wage-earners plus those looking for work), and unplaced applicants rose to almost 570,000, or about 14 per cent of the total number of workers. There is every indication that this winter the situation will be worse.

Why, in these circumstances, has public opinion remained calm? Why have there been virtually no frenzied demands that immigration should be cut off till full employment is restored? There are at least four reasons.

In the first place, the recession has not been severe. Some industries, notably consumer durables and heavy industry generally, have been hard hit, and coal and textiles were sick industries before the recession began. But the decline in production and employment as a whole from last year has not been large (roughly 3 to 6 per cent), and it does not seem to be getting any worse. Also, the recession in the United States seems to have levelled off. There is not much sign of any upturn, but at least the downturn has stopped. So people are not inclined to get panicky.

Secondly, Government immigration policy has been cautious—much too cautious for some people—and reasonably flexible. It is based on the country's capacity to absorb immigrants. In practice, this means that the Department of Trade and Commerce forecasts, at frequent intervals, what is going to happen to the economy generally and to particular industries, and the Department of Labour reports regularly actual and prospective shortages or surpluses of particular kinds of workers; and immigration policy governs itself accord-

ingly. For example, when unemployment in the textile industry became serious, and seemed likely to last for some time, the Government cut off immigration of textile workers; and the same policy has been applied successively to mining, forest industries and the machine-tool trades. When it became clear that there was a surplus of general labourers, the Government cut them off also. It is also part of the policy not to bring in workers during the late autumn, the winter and the early spring, when seasonal unemployment is high; and if, as this year, unemployment is abnormally high in the summer, the date of the autumn cut-off is advanced. All this applies to what are called "open placement" immigrants. Close relatives of people already in Canada can, in general, come in at any time; so can certain categories such as domestic workers. Also, there are always a certain number of people "in the pipe-line" at any given moment: people who have passed their medical examination and been accepted for entry. These, naturally, must be allowed in, and it may take three or four months before this stream dries up. So, even after a cut-off of some particular category, the statistics may, for a while, show workers in that category coming in. But within a few months the cut-off is pretty effective.

A third reason why public opinion has remained calm is that people have been coming to a soberer estimate of what "absorptive capacity" means and what Canada's absorptive capacity is. There are still some who look at the map, note that Canada is about as large as Europe, and jump to the conclusion that it can support as many people. There are also still some who tot up the list of Canada's physical resources and arrive at much the same result. But more and more are realizing that it is not a matter simply of physical size or even physical resources, but of costs and markets; that for practical economic purposes Canada is not nearly so big as it looks on the map. Even with the immense changes wrought in the last few years by new discoveries and the development of air transport, a good deal of our vast area is still economically worthless. Our resources are very large; but they are not unlimited, and some of them still are not economic assets. Our immense quantities of coal, for example, are mostly in the wrong places, a thousand or two thousand miles from the main centres of industry, and for the most part simply cannot compete there with hydro-electric power, oil and natural gas. The tar sands of Alberta contain fabulous amounts of oil; but we still do not know how to get it out at anything like a reasonable cost.

Absorption into Industry

THERE is also, specifically, a growing realization that immigration is no longer predominantly, or even in any significant proportion, a matter of bringing in farmers and farm workers. On the contrary, the possibilities of further agricultural immigration are severely limited. The latest *Canada Year Book* puts unoccupied agricultural land at less than 8 per cent of our total land area. This is about 180 million acres. But it includes all land "that has agricultural possibilities in any sense"; for example, 14 million acres in the Yukon and the Northwest Territories. It also shows that Ontario and New Brunswick have about twice as much unoccupied agricultural land as

occupied, and Nova Scotia and Quebec considerably more unoccupied than occupied. Anyone with even a nodding acquaintance with these provinces will have his doubts about the fitness of a good deal of this land for commercial, or even tolerable subsistence, farming. The late Professor Hurd, eight years ago, put the total possibilities for full-time agricultural settlers at not more than 93,000. Since then, the number of farmers in Canada has fallen considerably, and the total agricultural labour force even more, thanks to mechanization. Agricultural immigration will probably never again reach the proportions it did before 1914.

For all practical purposes, then, "absorptive capacity" means industry's absorptive capacity. This is not any means so simple as it looks. For one thing, it depends on what standard of living we propose to maintain; for another, on the effect of new discoveries and inventions; for another, on economic conditions outside Canada. The first point is obvious. Each of the others deserves examination.

New discoveries and inventions can cut both ways. Alberta oil and the chemical industries based on it have greatly increased Alberta's absorptive capacity. Alberta oil and the Diesel engine between them are cutting railway operating costs. But they are also striking heavy blows at the Alberta and Nova Scotia coal industries, making a lot of railway labour redundant, and forcing the scrapping of a lot of equipment for making steam locomotives. Alberta natural gas, piped to central Canada, might cut industrial costs there and make possible important new industries. But it might also strike another blow at Nova Scotia coal. Atomic power may mean big new industries, but it may also make some old industries obsolete. Development of new metals and new alloys may put old ones out of business, wholly or partly, or stop the expansion of the industries concerned. This does not mean that the new discoveries and inventions are undesirable; it just means they are not all necessarily pure gain; and they may involve considerable dislocations. It means also that we have to keep our immigration policy flexible, so that it can be quickly changed to meet conditions which may change almost overnight.

Economic conditions outside Canada also can cut both ways. Canada still depends heavily on the outside world, notably the United States. We have the resources to produce, and have equipped ourselves to produce, far more wheat, pulp and paper, gold, nickel, copper, lead, zinc, asbestos and ingot aluminium than we could possibly consume, even with a vastly larger population at a vastly higher standard of living. We just have to export these things, and on a large scale, or scrap a large part of our national economy and accept serious under-employment of much of our capital equipment, notably our grain elevator, railway and canal systems, power installations, and many of our big industrial plants, with a consequent rise in costs of production and in unemployment. On the other hand, there are still a lot of things we cannot produce at all, or only in inadequate amounts and at very much higher costs than other countries. It is good business for Canada to exchange her own surpluses for other countries'; and the more she is able to do this, other things being equal, the larger the population she can support and the higher

her standard of living. Anything that stops her doing it will correspondingly reduce her absorptive capacity and her standard of living.

So, even apart from the effects of new discoveries and inventions, any estimate of absorptive capacity must be highly tentative and temporary, and may be out of date within minutes after it is uttered or put on paper. The Americans may raise or lower their tariffs; they may increase or decrease their aid to Europe and Asia; they may raise or lower their defence spending; they may have a boom or a slump. The sterling area may have to impose fresh import cuts, or may be able to relax present restrictions on trade. The European dollar shortage may get worse, or better. The Kremlin may have a change of heart which would knock the bottom out of defence spending, or speed it up.

Some people will argue that if outside markets are so hard to get and keep, the thing to do is to bring the customers in here and make them into Canadians. There is something in this. But it begs several questions; first, whether we can get as many people as that fast enough; secondly, whether we can build houses and schools and hospitals fast enough to look after them; thirdly, whether, if we do get them, and can house them, we can sell the things they can produce. For even with a big expansion of the home market, we shall still have to go on importing and exporting on a very large scale. We just cannot be self-sufficient, no matter how many people we have.

These considerations also underline the need for a flexible policy. Our absorptive capacity now is far bigger than it was even six years ago. But it does not follow that it will go on increasing at the same rate. Since the war, Canada has been having what the London *Economist* rightly calls "two booms in one": rapid industrialization, and the discovery and development of "new and very rich primary resources of oil, power and, above all, of metals". Both booms have been going ahead at a prodigious rate, and still are. But they could slow down, or stop. Like nearly everything else in the world, they depend very largely on the United States. They could survive a small, temporary recession in that country, but a crash, or a severe and prolonged slump, no.

Attitude of Labour

STILL another reason why the present recession has not produced any outburst of xenophobia is the changing attitude of organized labour. Before the war it was mainly the skilled workers who were organized, and they tended to regard the immigrant as a threat to their jobs. During and since the war nearly a million extra workers, mostly semi-skilled and unskilled, have been organized. A good many of them are immigrants or the children of immigrants themselves, and they are much less inclined to look at the immigrant as a competitor and much more as a kinsman who has suffered and deserves a chance to make a new start. There was almost universal willingness to take as many D.P.s as we could physically bring in. Besides, some of the newer labour leaders are as enthusiastic about the country's population possibilities as the most ebullient Chamber of Commerce after-dinner speaker. The Canadian Congress of Labour, the second

largest trade union central organization, with about a third of the organized workers in the country, explicitly rejects the "lump-of-work" theory: that there are only so many jobs to go round, and that every extra immigrant means just that much less work for everybody. It recognizes that extra people are not just extra stomachs: they can, and often do, mean extra production. To be sure it rejects also the other crude theory that population in itself means prosperity. "Extra workers don't necessarily mean extra production. An empty stomach is no customer unless its owner can pay for what he needs to fill it." But this is a far cry from what most people have thought of as labour's characteristic attitude to immigration.

The same Congress has gone to the trouble of analysing the immigration and unemployment statistics, especially for the two worst periods of unemployment since the war, 1949-50 and 1953-54, to see whether there is any evidence that immigration is responsible for unemployment. It finds little or none. In the first place, it notes that about half the immigrants are wives and dependent children, or farmers, managers and professional people who not only do not compete in the labour market but in many instances actually provide new jobs. Secondly, comparing the month by month figures of immigrant workers and unplaced applicants, it finds that only rarely is there even *prima-facie* evidence of any correlation between immigration and unemployment. Only much more complete figures, and more thorough analysis, city by city and town by town, could provide definite proof. But it is significant that, in this last year, in the Atlantic, Quebec and Pacific regions, where the incidence of unemployment has been generally the heaviest, immigration has been so small that it could not conceivably have been responsible for more than a microscopic part of the unemployment.

In general, it is probably true to say that labour accepts the principle that the number of immigrants admitted should be governed by the country's absorptive capacity. It does not follow, however, that any section of labour is satisfied with Government policy in practice.

For one thing, the Government, like the business community, tends to look rather at the distant prospect, the long-range possibilities, and to plan for them, treating the present recession as a temporary, minor dip in a curve which will soon resume its rise. Government and business are both, financially, in a position to stand a fair amount of recession. Workers are not, even in these days of relatively high wages, unemployment insurance, old age pensions and family allowances. Labour has to look at the present and the immediate future. Faced with the fact of about a quarter of a million unplaced applicants for jobs in the middle of summer, and the prospect of two or three times that number by the middle of winter, it cannot live on cheerful assurances that everything will (probably) be all right in a year or so; still less on statements like Mr. Howe's that this situation constitutes "a healthy period of consolidation", or admonitions (Mr. Howe again) that we cannot expect to make new records every year.

For another thing, labour is convinced that Government (again, like business) is a great deal too optimistic about the immediate future. Government, and business, naturally tend to look at the less discouraging features

of the situation. Investment is above last year; industrial production, employment and exports are below last year, but not much; gross national production will probably be below last year, but not much. And last year was the best we've ever had. So there is no need for a drastically revised estimate of our absorptive capacity. Labour, equally naturally, tends to look at the more discouraging features of the situation. Unemployment at the middle of September, according to the Government's own figures, was anywhere from 50 to 100 per cent higher than last year; and September is always one of the best months. Investment is above last year, yes; but not much (less than 3 per cent), and each year's increase over the year before is getting steadily smaller. Production, employment, exports and Gross National Production (G.N.P.) may not be down much; but even if they were not down at all it would be serious enough. The labour supply is rising. So is productivity per man: in 1953, real non-agricultural production rose 5 per cent, but non-agricultural employment only 2 per cent. In these circumstances, even a stable G.N.P. (let alone a falling one) means rising unemployment. As long as this situation lasts, labour is going to insist that immigrant additions to the labour supply should be rigidly limited to cases where it can be proved that they are indispensable.

Racial Discrimination

THE Canadian Congress of Labour (C.C.L.) is also strongly critical of many provisions of the Immigration Act, which was passed two years ago at breakneck speed, without giving labour or other interested organizations any chance to make representations. The Act enshrines the principle of racial discrimination, which the C.C.L. strongly opposes, and confers on the Minister and his officials very sweeping discretionary powers both to exclude and to deport. For example, the Department can exclude or deport any immigrant whom it thinks "*likely to engage in or advocate subversion by force or other means of democratic government, institutions or processes as they are understood in Canada*". It can also deport any immigrant who becomes a public charge. To this last, practically the whole labour movement, and the Canadian Welfare Council (representing the social work agencies), have taken strong objection. And the objectors are not impressed by the Government's defence: that it has not in fact abused its powers, and is far too nice even to dream of doing so.

So it is not surprising that, all through, central labour organizations (the Trades and Labour Congress, the Canadian Congress of Labour and the Canadian and Catholic Confederation of Labour) have repeatedly asked for the establishment of an Immigration Advisory Committee, to keep the Immigration Act and its administration, and immigration policy, under constant review, and to advise the Government regularly on changes which the Government contemplates or the Committee thinks necessary. This Committee would include representatives not only of the labour organizations but also of the farm organizations, the employers' organizations, the Canadian Welfare Council, the Canadian Legion, &c. The Government has so far refused to set up such a committee, but it seems to be moving in the direction

of more, and more frequent, consultation with the organizations suggested as members.

There has also been widespread dissatisfaction with the administration of the Department. This culminated in a Canadian Bar Association Committee's report which strongly criticized the arbitrariness of many departmental decisions and the lack of proper provision to protect the immigrant's rights in proceedings before Departmental Boards. The report produced a renewed demand from the Progressive Conservative Party for a Royal Commission on immigration, a proposal which is almost certain to be pressed at the next session of Parliament, with strong support from circles far beyond the ranks of Mr. Drew's followers.

No account of the present state of the immigration question in Canada would be complete without some discussion of the attitude of French Canada.

Traditionally, as has already been said, French Canada has disfavoured immigration. The bulk of the immigrants have been, or have been likely to become, English-speaking, and French Canada, accordingly, has always been afraid that immigration would more than offset its higher birth rate and reduce its proportion of the population. So far this has not happened. This has probably helped to allay French-Canadian fears. The rapid industrialization of Quebec has both stimulated French-Canadian self-confidence and attracted a larger proportion of immigrants to Quebec. The result is that more and more French-Canadians are beginning to feel that a substantial proportion of the immigrants can become French-speaking and help to preserve, not destroy, French-Canadian institutions and their place in Canada. It is, of course, discouraging that, in spite of official policy, which gives preference to French immigrants as to British, so few French people come in (chiefly because France itself is an immigrant-receiving country). But a good many of the other non-Anglo-Saxons are now coming to be regarded as assimilable by French Canada; and the Roman Catholic Church in Quebec, sighing over the dwindling importance of its rural parishes, is now actively promoting rural immigration to the province. The Government has helped the change of attitude along by appointing a French-Canadian Deputy Minister of Citizenship and Immigration, and several other French-Canadian high officials in the Department. At the same time, it has been careful to balance this by keeping an English-speaking Protestant as Minister; for, if the French-Canadians are afraid of being swamped by English-speaking immigrants, plenty of English-speaking Protestant Canadians are equally afraid of being swamped by Roman Catholic immigrants who would make common cause with the French-Canadians and threaten institutions the English-speaking Protestants hold dear.

All in all, almost everything about the immigration question in Canada has changed or is changing—except its importance. That remains, and is likely to remain, as far ahead as anyone can look.

Canada,

November 1954.

SOUTH AFRICA

RETIREMENT OF DR. MALAN

AT the moment of writing the South African political scene is dominated by guesswork. On the evening of Kruger's Day (October 10), after unveiling the Kruger statue in its new position in Pretoria, Dr. Malan announced his impending resignation to a special meeting of the Cabinet. He proposed to leave office on November 30. The Nationalist press reported that the Cabinet was stunned with surprise, and the leading articles echoed the same astonishment. Opposition newspapers had carried reports during the previous month that Dr. Malan was going to resign within the year and that Mr. Havenga, the Minister of Finance, had been designated to take his place. The Nationalist press, which had earlier pooh-poohed reports of a possible resignation, now claimed that the next Party Leader, who would automatically be Prime Minister, would only be chosen by the Party caucus on November 30.

The caucus is reliably estimated to have a two-to-one majority of outright supporters of Mr. J. G. Strijdom, Minister of Lands and leader of the Transvaal group of Nationalists which dominates the caucus. It is freely admitted in the Nationalist press that the premiership is in the gift of Mr. Strijdom, and it is added that Mr. Havenga will not allow his name to go forward as a candidate if the Transvaal leader is also in the lists. The reports go further and state that Mr. Havenga will not accept office unless his election by the caucus is unanimous. Neither Mr. Havenga nor Mr. Strijdom has made any public statement, Mr. Strijdom leaving on an oversea trip the day after Dr. Malan made his announcement. Dr. Malan, Dr. Dönges the Cape leader, and a number of other prominent Nationalists have made speeches appealing for party unity and pointing out that it is only by remaining united that Nationalist Afrikanerdom will be able to continue the impressive progress of the past few years.

In the fortnight before Dr. Malan revealed his plans, something very like a subdued controversy was taking place on the public platforms between himself and Mr. Strijdom on the subject of South Africa's becoming a republic. Dr. Malan's argument can be roughly summed up as being that a republic is bound to come in the long run, that there was no reason why it should not remain within the Commonwealth, and finally that patience would probably bring wider support for a republic when it does come. His emphasis was notably on patience. Mr. Strijdom, whose declared policy is that South Africa should become a republic outside the Commonwealth, made less of a feature of patience in his first speeches reviving the republican issue. His main contention was that a republic was not so far away as some people might think, and these sentiments were received with great enthusiasm by the Transvaal Congress of the Nationalist Party.

Mr. Havenga has played no public part in this exchange of views. Perhaps

he did not feel justified in joining in a debate on so intimate a party matter. He has only recently rejoined the main body of the Nationalists—until 1931 he was the leader of the small Afrikaner Party, which merged with the Nationalists in that year. In 1933 he followed General Hertzog into the Fusion Government with General Smuts while Dr. Malan broke away to form the Purified Nationalists. There was a brief reunion of General Hertzog, Mr. Havenga and Dr. Malan in the early days of the war, but they split up again after a controversy over the status of English-speaking South Africans. Mr. Havenga is thus regarded with a certain amount of unease by the more continuously faithful Nationalists. His stand for more favourable terms for the Coloured voters under separate representation, and his statement that the years of co-operation between Generals Hertzog and Smuts were a golden age in South African politics, have not made this uneasiness less. Although he was a member of the famous "Freedom Delegation" of Nationalists who went over to ask the Versailles Conference in 1919 for the return of the Boer republics, he scarcely ever mentions a republic today. He is probably the member of the Cabinet who most strongly stands for maintenance of the Commonwealth connexion. His silence in the inhibited altercation between the leaders about a republic might be ascribed to both tact and inclination.

There is, however, no doubt that as far as ability and experience are concerned he is the obvious successor to Dr. Malan. He has been, on and off, Minister of Finance for twenty-three years, in three different governments. With the exception of the gold standard débâcle, he has managed to produce popular budgets. In addition he is a man who inspires more confidence with oversea investors than any other Nationalist minister, and he is also likely to enjoy more popularity among a broad section of the citizens than any of his present colleagues. This will be weighed in the balance by Nationalist planners against the unknown quantity of his republican fervour and his other tendencies to heresy. Finally he is nearing 72 years of age, while Mr. Strijdom is 61 and can afford to wait a couple of years, knowing all the time that he has control of both Cabinet and caucus.

There is a third possibility, which is very remote. That is the election of a compromise candidate. Who this political "third man" might be is anybody's guess.

Nationalist Gains

IN the background to present conjecture lies the further Nationalist victory in the provincial elections in August. The provincial seats correspond fairly exactly with the national parliamentary seats, and on their showing the Nationalists improved on their impressive 1933 success by the gain of two more seats, both in the Transvaal urban areas. Although 226,000 fewer voted in the provincial than in the general elections, the Nationalists improved their majorities in all their constituencies with one or two exceptions. The decrease in the United Party totals—ascribed to "apathy", always a United Party bugbear—was responsible for this aspect of the Nationalist success rather than a general increase in the total pollings by the Government party. The explanation, already apparent above, is that more potential United Party

supporters neglected to cast their votes than potential Nationalist supporters. The results left the Nationalists in absolute control of the Orange Free State Provincial Council, and with majority control of the Transvaal and Cape Councils—in the latter for the first time. Only in Natal does the United Party retain a majority (21-4), and even there the Nationalists advanced by one seat. A by-product of the elections was the complete elimination of splinter parties, the United Party ousting all other Opposition groups.

It is obvious from this that the Nationalist Party is now in a better position to risk some difficulties over the leadership succession than at any other time in its history. By retiring before nature dictates his disappearance from the scene, Dr. Malan retains at least an ability to play some rôle in appointing the new leader and easing his assumption of office. It is generally thought that Dr. Malan would prefer to see Mr. Havenga take his place, and give Nationalism a chance to consolidate its gains over the last six years. In this way Mr. Havenga's Government would act as a kind of caretaker régime before the advent of the more impetuous Mr. Strijdom and the republican climax of the party's career. But there are elements among the Nationalists who believe that such a caretaker Government would allow the true Nationalist enthusiasms to go slack, so slack indeed, that they might never return to their former vigour. Their advocacy of Mr. Strijdom is of the "now or never" order. Whether Dr. Malan agrees with them, or can counter their pressure if he does not, will be more easily assessed by the time this report appears in print.

The Cape Congress of the Nationalist Party which met after Dr. Malan had sprung his surprise differed from the Transvaal Congress in both atmosphere and emphasis. While the Transvaalers were full of enthusiasm for marching forward to the republic—apparently at full speed—the Cape Nationalists made very little play with republican propaganda. Again, the Congress in the North displayed great fervour for Mr. Strijdom and treated the leader of the Cape Nationalists, Dr. Dönges, a faint claimant for the succession, with a coldness which was not always considerate. In the south there was gloom at Dr. Malan's impending departure and Dr. Dönges talked of making it his main job to maintain the unity of the party. Dr. Malan warned the congress against provincialism and personal jealousies. The whole congress was remarkable for its sadness, caution and reserve, and had none of the electric atmosphere of the earlier gathering in Pretoria. Perhaps these were merely differences of temperament. On the other hand, they might be more significant, though not necessarily for the immediate future.

The Policy of Integration

COINCIDING with the Nationalist Congresses, the United Party has also been holding its annual provincial stock-takings. These have been of more than usual interest this year, because they lead up to the two-yearly Union Congress of the United Party, where Mr. Strauss's "great step forward" in Native policy is to be considered. It has been apparent for some time that the United Party would have to clear up certain vaguenesses in its Native policy, especially in view of the term "integration" which the Party opposes

to "apartheid". The basic difference between *apartheid* and "integration" is that the United Party recognizes that there will be a growing and permanent black urban population in the Union, which must be fitted socially, economically and politically into the human structure of the country. The Nationalists turn a blind eye to this fact, mainly because it is greatly embarrassing to the policy of *apartheid*. Dr. Verwoerd has made a slightly cryptic statement calling these people "permanent as Natives but not as individuals", that is to say, a permanent labour force comprising perpetual migrants. Otherwise the Government avoid much discussion of the problem. The United Party, on the other hand, proposes to face it, even in its political implications. At present the basis of the party's policy in this matter is the settlement of 1936, whereby the Natives were given three separate representatives in the Assembly in place of the old Cape communal franchise. Mr. Strauss has remarked that the 1936 settlement is no longer satisfactory in all its aspects, and there are trends of opinion within the party towards some advance on it. On November 15 the party holds its Union Congress at Bloemfontein—and many people, not least among them the Nationalists, are watching to see whether the United Party will in fact review the 1936 legislation in the light of the developments of the last two decades. Also interested observers will be the United Party's five "rebels", who hold their first Union Congress to found their new Conservative Party a fortnight later. The timing of the Conservative Congress is in itself significant, as some of the main differences between the "rebels" or Independents and the United Party are concerned with Native policy. The breakaway group favours virtual acceptance of *apartheid*, with some saving clauses. At present, however, there is no evidence of any substantial support for this group.

South Africa,
November 1954.

POSTSCRIPT

At the meeting of the Nationalist Party in Pretoria on November 30, Mr. Havenga did not press his candidature to a division, and Mr. Strijdom was elected unanimously to the leadership. Later in the day the Governor General commissioned him to form a new Government.—Editor.

NEW ZEALAND

THE BUDGET

THE Prime Minister (Mr. Holland) in his capacity of Minister of Finance read his fifth budget in the House on July 22—three weeks earlier than usual. Since this is election year, taxpayers awaited budget day with high hopes of tax relief; and, on the whole, they were not disappointed, for tax concessions amounting to £11 million a year were granted. On the other hand, actual anticipated tax revenues in all Public Accounts are expected to increase in 1954-55, so that the concessions relate to the difference between anticipated revenue and that which would have accrued at the old tax rates.

The personal exemption from income tax was raised from £230 to £375; and from £230 to £420 for persons over 65 years of age. The exemption for a wife was increased from £100 to £125; and that for each child or dependent relative from £65 to £75. These are substantial changes; but the flat-rate £15 tax rebate allowed last year is now "incorporated" in the personal exemption. Again, "in view of the considerably higher rates of exemption", the commencing rate of income tax is increased from 2s. 6d. in the pound to 3s. This raises the rate by 6d. in the pound at each step of graduation up to the maximum rate of tax on individual incomes, which remains at 12s. in the pound.

Before 1950 all income tax payable by individuals and by companies was subject to a surcharge of 15 per cent additional tax, and all income tax payable on "unearned income" was subject to a further 33½ per cent surcharge. The latter penal rate was abolished in 1950 and the 15 per cent surcharge was reduced to 10 per cent in 1951, to 5 per cent in 1952 and to 2½ per cent last year. The surcharge is now abolished.

In New Zealand income-tax practice for a considerable number of years past incomes of husbands and wives have been aggregated, which increases, in some cases quite substantially, the income tax payable by the family. This practice, which has been much criticized, is substantially modified in the present budget. Henceforth, where the income of husband or wife is less than £500 per year, the incomes will no longer be aggregated. Where wives have a personal income exceeding £500 per year, only that part in excess of £500 will be added to the income of husbands for the purpose of assessing their taxation rates.

An important change was made in the method of assessing the income tax of persons receiving company dividends. These dividends are taxable at the source; but the rate of tax on a person's income from sources other than company dividends is determined by the amount of his total income, including company dividends. At present tax is then assessed as if all the income were again taxable, and a deduction for tax already paid on the company dividends is made at the rate which would be applicable to a taxable income equal to the amount of the dividends only. This administrative device, which had the effect of doubly taxing the company dividends of many taxpayers, is now abolished.

Sales tax was removed from a considerable range of commodities, mainly

household requirements and sporting and athletic goods. The new concessions are estimated to represent more than £2 million in a full year, and, taken together with exemptions granted in previous budgets, have resulted in a considerable reduction in a form of taxation which has long been criticized as a substantial contributor to high prices. Further adjustments were made to land-tax exemptions with the object of bringing the scale of exemptions more into line with present-day land values. The general exemption is increased from £1,000 to £3,000 of unimproved value, while the graduated scale of tax rates is replaced by a step scale, terminating at 4d. in the £, in place of 6d. previously.

The initial reaction of the press and public to these income-tax changes was somewhat mixed. For example, an important daily, *The Dominion*, which normally supports government policy, referred to the document as a "put and take" budget. In raising the basic rate of income tax by 6d. in the pound throughout the graduation range Mr. Holland invited criticism of this sort. However, when the full effects of the concessions granted became apparent, later press comments were, with few exceptions, almost wholly favourable. The amendments themselves, though sounding complicated, will simplify the system of income-tax assessment; but, more important still, these proposals represent an attempt to lower direct taxation rates. As such they have been welcomed by taxpayers.

The Labour Party members claimed during the debate on the budget that those in the lower income groups received little relief. It is true that the abolition of the tax rebate very considerably reduced the effect of the tax reductions on the lower taxable incomes. However, the net effect of the proposals is to raise quite materially the lowest level at which a taxpayer is liable for income tax. In 1954 a married man with two children and no special exemptions became liable for income tax when his income reached £575 per year. Under the 1953 proposals he will not become liable until his income reaches £650. Mr. Holland quoted the case of a married man with three children paying £50 life insurance, who will now be free of income-tax liability at an income level of £853. In 1949 this person would have paid £33 in income tax, last year £12. These examples indicate that, apart from the flat-rate tax of 1s. 6d. in the pound for social security purposes, the burden of direct taxation on small incomes is now not heavy. In these circumstances Mr. Holland, no doubt, felt that something could be done towards a further easing of the imposts on the higher incomes. The proposals will have that effect. He quoted as an example the case of a married man with £2,700 assessable income and £400 from non-assessable dividends from companies—a high income by New Zealand standards. Income tax payable on this income in 1949 was £819; in 1953, £700; and, under the budget proposals, £587. 10s.

The Public Accounts for the financial year 1953-54 showed a surplus of £1.8 million in the consolidated fund and £1.5 million in the social security fund, making a total surplus of £3.3 million in the two accounts conventionally accepted as making up the government surplus or deficit. The Minister of Finance has estimated that in the current financial year these accounts will show a small aggregate surplus of £700,000.

The revenue of the consolidated fund in 1954-55 is estimated at £174.8 million, compared with £182.3 million collected last year. The fall of £7.5 million will be offset by the transfer of highways taxation to a separate account. Income tax, which would have increased materially in sympathy with the large increase in national income in 1953-54, is held by the tax reductions to the same figure as last year, namely £80.8 million.

The total expenditure of the consolidated fund in 1954-55 is estimated at £173.3 million, a decrease of £7.2 million below the 1953-54 figure. However, expenditure on highways maintenance which amounted to £5.5 million in 1953-54 will be carried by a special road fund in 1954-55. Defence expenditure incurred in Korea will be financed from a special defence fund; so that, while the prospective expenditure on defence from the consolidated fund—estimated at £25 million in 1954-55—shows a fall of £4 million below last year's total, the total expenditure on this item will actually be at least as high as last year's figure (£29 million).

The revenue of the social security fund is estimated at £67.9 million in 1954-55, an increase of £4.1 million above the 1953-54 total. This represents the amount of the increased yield from the social security charge (1s. 6d. in the pound) on the higher level of incomes. Expenditure from the social security fund in 1954-55 is estimated at £67.9 million, including £14 million transferred from the consolidated fund. This is an increase of £4.3 million above last year's total, largely accounted for by an increase of £2.6 million in age benefits following adjustments to these benefits made in December last, and by a further increase announced in the budget of 10s. a week in the mother's allowance for widows with two or more dependent children.

Government Borrowing

THE Government Public Works programme for 1954-55 is estimated to cost £77.6 million, including hydro-electric works, £17.5 million; State housing, £11.3 million; land settlement, £10.2 million; and education buildings, £6.5 million. A substantial proportion of this cost—£22 million—will be met from revenue from sales of electricity, land, farm and forest products. But there still remains £48.4 million to be found from borrowed capital, while in addition a further £6 million is required by the State Advances Corporation, mainly for housing advances.

Small savings received through the national savings scheme and the Post Office Savings Bank normally contribute substantially to Government's loan requirements. It is estimated that £16 million will be available from this source in 1954-55, but the bulk of loan finance required by Government has been obtained by the successful floating of the largest peace-time loan ever raised in this country. The amount was £30 million, bearing interest at 3½ per cent, issued at varying prices for terms of five, eleven, fifteen and twenty years. The effective yield on the longer-dated stocks will be £3. 19s. 6d. per cent. The loan included a conversion offer to holders of £12.4 million of government stock which matured in August of this year, and the final results showed £8.8 million of conversions and new subscriptions amounting to

£22.6 million, a total of £31.4 million. Government had considerable difficulty with this loan which was filled only after strong appeals were made to the investing public. The trouble met with on this occasion emphasizes the difficulty of raising large sums of money in a short period on New Zealand's restricted money market.

Last year, for the first time in many years, a New Zealand Government loan was floated on the London money market, £10 million being raised towards the development costs of the Murupara pulp and paper project. A credit of 16 million dollars was also made available by the Export-Import Bank in Washington to be used by Government and the Tasman Company, co-partners in this enterprise, in paying for equipment and services from the United States. Mr. Holland announced in the budget that the Chancellor of the Exchequer had consented to the placing of a further New Zealand loan of £10 million on the London market. He stated that it was likely that the loan would be floated before the end of the year.

The resumption of overseas borrowing, after a long period during which the Government's overseas indebtedness was reduced, is an interesting development. At the present time a particularly heavy capital programme is in progress, including a large hydro-electric scheme at Roxburgh in the South Island the estimated cost of which is £27.5 million, and the vast Murupara paper and pulp project in which the Government's capital commitments alone are of the order of £13 million. Both these projects involve heavy imports of equipment and building materials, part of which will be financed from these overseas loans.

Mr. Holland stated in the budget that New Zealand was in an excellent position to support a series of moderate overseas loans to assist in developing her resources, and there is good statistical backing for this assertion. The overseas funds of the New Zealand banking system are in a very healthy position, net overseas assets amounting to £124 million on August 26—an increase of £17 million above the total of twelve months previously. In the transition from bulk purchase of our exports of meat and dairy produce to open marketing there will be a period when no receipts are coming to hand although payments for imports will continue. This gap, caused by the increase in the time-lag between production and sale of these exports, will cause an initial non-recurring drain on our overseas funds. The amount involved has been estimated at upwards of £30 million. Nevertheless, the amount of the reserve on hand at present is adequate.

The total public debt of New Zealand on March 31, 1954, was £706.5 million. Of this amount only £89.9 million is overseas debt, on which the interest bill is £2.8 million. This annual overseas interest commitment represents approximately 1.2 per cent of our annual income from exports, which compares with 12 per cent in 1938-39.

Abolition of Exchange Allocation Scheme

THE optimism which accompanied the boom in wool prices in 1951, and a substantial relaxing of import controls made at that time, was followed by an unprecedented rush of imports. This caused a severe drain on the

oversea funds of the New Zealand banking system. To correct the situation an exchange allocation system was put into force from April 1, 1952, whereby individual applications for exchange above a basic quota—initially 80 per cent of 1950 imports—had to be submitted to the Reserve Bank, for approval. The operation of this system curtailed imports considerably and our oversea fund position is now extremely sound. Mr. Holland announced in his budget that the exchange allocation scheme would end on December 31, 1954.

During the past four years the list of tariff items subject to import controls has been revised from time to time, with the result that of the 950 items on our tariff schedule over 650 have now been freed from import licensing as far as goods from the fifteen sterling areas are concerned. Import licences will still be required for dollar exports and for the 300 items still on the sterling area schedule, but with the ending of the exchange allocation scheme the great bulk of our import trade will be freed from governmental controls for the first time since 1938, and control will revert to the trading banks.

International Affairs

ON July 6 the Minister of External Affairs (Mr. Webb) opened a debate in the House of Representatives on international affairs. It was a particularly appropriate occasion since he had just returned from leading the New Zealand delegation at the Geneva Conference. He spoke about Indo-China, with a brief reference to Korea. Mr. Webb, as always when he speaks of international affairs, was interesting and well informed. A reference he made to the question of admission of Communist China to the United Nations aroused great interest both here and abroad. After expressing the view, which is shared by almost all New Zealanders, that the greatest menace to the free world is Communism, he said that, by our present attitude of cold-shouldering China, we should drive her more firmly into the Russian orbit. He concluded: "I believe that if we are guided by logic and self-interest and not by emotion, we shall come round to the conclusion that there is a call for united action on the diplomatic front and that as a first step early consideration should be given to the question of allowing the representatives of the People's Republic of China to the Council Chamber of the United Nations."

This statement produced quick reactions abroad. The Government of Australia soon made it clear that it did not share New Zealand's view. It was also noticed here that on July 7 President Eisenhower reaffirmed his unalterable opposition to the admission of the "Peking Régime" to the United Nations. Despite this unfavourable reaction of both our Anzus partners, Mr. Webb did not retract his statement when closing the debate on July 8. He did, however, make the additional point that many other countries with greater claims than Communist China had been kept out of the United Nations for a long time. He referred also to Nationalist China and said he could not "visualize an attempt being made to exclude her".

Immediate recognition of Communist China has not been advocated and indeed, at the September meeting of the General Assembly of the United Nations, New Zealand voted with the majority in supporting a proposal to

postpone consideration of the conflicting claims of Communist China and Nationalist China. New Zealand has not given *de facto* recognition to the Chou-En-lai régime. This would appear to be an essential preliminary to any active advocacy of the admission of Communist China to the United Nations. The New Zealand public finds these apparent inconsistencies in purpose confusing and government policy obviously needs further clarification. However, there can be no doubting this country's determination to resist aggression. New Zealand, already a signatory to the Anzus pact, has recently further enlarged her obligations for Pacific defence and economic assistance to Asian countries by signing the South East Asia Treaty.

Appointment of High Commissioner in London

THE Prime Minister has announced the appointment of Mr. Clifton Webb, the present Minister of External Affairs and Attorney General, to the post of High Commissioner for New Zealand in London, which was rendered vacant by the death of Sir Frederick Doidge on May 26. Mr. Webb's tenure of office will begin immediately after the general election, and so is conditional on the return of the present Government to the Treasury benches.

The appointment has been welcomed. The New Zealand Government has always taken the view that this is a key post in our administration which must be strongly held. Mr. Webb is well qualified for his new position and New Zealanders are confident that he will uphold the good reputation built up by his predecessors in London. His office of External Affairs will be difficult to fill adequately: and this appointment increases to four the number of Cabinet posts which will fall vacant by retirement—apart from any possible election losses.

General Election

NEW ZEALAND'S triennial election will be held on November 13. The closing session of Parliament was dull and lifeless and the Prime Minister had little difficulty in completing the business before the House by October 1. New Zealand's thirtieth Parliament was dissolved on October 5. A third political party, the New Zealand Social Credit League, has entered candidates for practically all seats. Third parties have had a poor record in New Zealand politics for a long time; and our local disciples of the theories of Major Douglas are not commanding any marked public attention. The country is prosperous, and apart from some dissatisfaction at the continued rise in the cost of living, there are few signs of political discontent. It is generally expected that the Government will be returned to power, though possibly with a reduced majority.*

New Zealand,
November 1954.

* The result of the election was: National Party 43, Labour Party 37 seats, other parties none. The Government majority is reduced from 20 to 6.—*Editor*.

RHODESIA AND NYASALAND

A SOUND FINANCIAL POSITION

THE Federation recently marked its first anniversary with celebrations both in Rhodesia and in London. At the time of the Referendum there was a great deal of excitement and some people wrongly thought that the whole way of life in Central Africa would be changed with the coming of Federation. The first year, although it has not lived up to the expectation of the most optimistic of these people, has given reason for great satisfaction. In the first six months of 1954 the Federation had a favourable visible balance of trade of over £11 million. Imports were valued at £58,767,622, while exports were valued at £69,882,658. The export figure includes gold at a value of £3,261,074 and re-exports which were valued at £1,363,372. The figures for the balance of payments show that the adverse balance was reduced to £5,800,000 for the six months from January to June inclusive.

In Southern Rhodesia the tobacco season was a record. 120,250,000 pounds weight of tobacco were sold, the crop being valued at £19,212,643, which gave an average price of 38.34 pence a pound and an average yield of 697 pounds weight to the acre.

The strong credit of the Federation was demonstrated by the floating of several loans. The United States Loan for Railways of £10 million was arranged by the Foreign Operations Administration on June 29. In July there was a loan on the London market of £10 million which was over-subscribed, and later in the year there was a local loan of £4 million which was also over-subscribed. It is quite obvious that large sums of money are needed and will continue to be needed for this fast-developing territory in Africa.

While there are fewer than 250,000 Europeans in the whole Federation, the development which is proceeding is not for the benefit of Europeans only, but is concerned with the progress of a population of more than seven million people.

The first Federal budget was presented at the end of June and a four-year development plan was approved. The plan calls for £70 million for State development with a very heavy emphasis on communications.

At the present time one of the greatest restrictions on development within the Federation is the inadequate railway system. For some years, despite the spending of large sums of money and also despite the very rapid development of the railway system, transport continued to be a major problem. The railways were taken over seven years ago for the sum of £30 million and since then a further £30 million has been spent on the development of the system. Further relief will be given when the new railway line which goes from Bannockburn to Lourenço Marques is opened in 1956. Construction on the line is ahead of schedule both on the Portuguese side and on the Rhodesian side, and this new stretch of more than 400 miles of railway line should bring relief to the country.

Southern Rhodesia has been particularly proud of her record in industrial conciliation and, since the war, has not had one official strike. Unfortunately, in June of this year the railway system was hurt by an unofficial strike. It was tackled very firmly by the Government, who deported the leader; he had arrived here less than twelve months earlier from the United Kingdom.

Wankie is the great colliery of Central Africa and for some years the mine has been unable to supply the full needs of the territory. The new Wankie Company met serious difficulties at the beginning of its work. Unexpected labour problems had hardly been overcome when the company found itself working in faulted ground and production was seriously curtailed. The colliery appears now to have come out in the clear, but the railways are unable to cope with the quantities of coal which are being mined.

Quite recently the company found it difficult to produce more than about 230,000 tons of coal a month, but its production has now topped 300,000 tons and there is no doubt that the modernizing of the mines and the general improvements that have been effected will make it possible for the colliery to produce 4,000,000 tons of coal a year, if the railways can haul it.

As the main export of the Federation is copper, it can well be understood how important is the production of coal and also how necessary it is for the welfare of the Federation as a whole for the coal to be transported in sufficient quantities to Northern Rhodesia.

A subject which has led to violent controversy between Northern Rhodesia and Southern Rhodesia is the decision whether the Kariba scheme or the Kafue scheme shall have precedence. Before Federation was achieved the Northern Rhodesian Government had decided to dam the Kafue river and thereby harness it for power for the copper companies, whose need for power was very urgent. The scheme was expected to cost £30 million and the Southern Rhodesian Government had agreed that the Kafue scheme should go forward. The agreement, however, was given on the understanding that the moneys required would be raised outside the ordinary loan channels; and when, later, the Kafue scheme was taken over by the Federation and it was seen that the money would come probably from the World Bank or the London Market, the Southern Rhodesian Government protested. The position had changed when the scheme was taken over by the Federal Government, and in actual fact Kariba and Kafue were now competing in the same market for funds. The matter was brought up in the Southern Rhodesian Parliament by the Prime Minister, who stated that his Government was concerned that the decision should be made on the basis of what was in the best interests of the Federation as a whole. Northern Rhodesia felt that faith had been broken because an agreement had been given that the Northern Rhodesian scheme should be proceeded with immediately. Feelings ran high and the Federal Prime Minister very wisely decided to get the best opinion available on both schemes. A French Consortium was appointed and quite recently the reports on both Kariba and Kafue have been received in Salisbury. Sir Godfrey Huggins has announced that he hopes by Christmas to be able to give a decision which scheme shall be proceeded with first. Interest is running high, but it is known that each scheme has both advantages and

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disadvantages, and the committee of experts which is considering the reports will probably have some difficulty in coming to its decision.

Race in Education and Industry

GREAT interest has been aroused by the decision to set up a University which will cater for all races in Central Africa. The decision was made to site the University in the Federal capital, which is Salisbury. Under Southern Rhodesia's Land Apportionment Act, it was not possible, within the law, to set up this University in the European area and to make it available for students of all races from all parts of the Federation and even from beyond its borders. The problem was one which was faced by the new Southern Rhodesian Government, who came to a satisfactory conclusion recently in the Territorial Parliament. There was no real opposition to the setting up of a multi-racial university or to allowing hostels for Africans to be established on the campus, but the Bill which was brought before the Southern Rhodesian Parliament had four contentious clauses, only one of which was concerned with the University. No one took exception to the University clause, but a third of the Members of Parliament actually voted against the third reading of the Bill because it included other matters with which they were not in agreement. The legal road has now been cleared and the University Board will be able to go ahead with the erection of the buildings and the choosing of staff.

In Northern Rhodesia the Forster Report on the advancement of Africans has caused some speculation, particularly since the Rhodesian Selection Trust has shown that it intends to give full consideration to the recommendations of the report. The general controversy concerns itself with whether Africans, if given advancement, should be given equal pay for equal work with Europeans. People who live overseas can very easily be led astray by what seems to be a very fair and honest claim. In recent years the tendency throughout the industrial world has been to break up jobs into component parts and to train workers to specialize in doing just a small part of a job. In other words, where one person, very well trained and highly skilled, used to perform a complicated set of motions, the tendency today is to use a number of people each doing only one or two simplified acts. In a new country such as Northern Rhodesia there has been very little attempt so far to break up jobs into their component parts. It is quite obvious that Africans at their present stage of development are quite unable to carry out the work which is performed by skilled Europeans, but it is equally obvious that, if jobs were broken up into their component parts, Africans could be used to do a great deal more than they are accomplishing at the present time. There is a very disturbing measure of hypocrisy in the cry of equal pay for equal work in Northern Rhodesia today. The way is open to African advancement if jobs can be fragmented and Africans trained to do particular operations of what is today one job. If, however, the European unions refuse to allow jobs to be fragmented and demand that the African should endeavour to do the whole job and for his ineffectual endeavour be paid European rates, with European conditions, the door is quite definitely shut against African

advancement. It would be very greatly to the benefit of the Federation if Africans could be used much more fully than is possible today in commerce and industry, for the production throughout our area is only £35 a head per annum. This compares with £600 a head in the U.S.A. On the other hand, India's figure is £17.

There is a feeling of tenseness in some quarters in Northern Rhodesia at the present time; and recently a European union refused to work overtime as a protest against the action of the Rhodesian Selection Trust in giving the union six months' notice of the termination of their agreement. This was done by R.S.T. so as to clear the way for fuller consideration and possibly for beginning to carry out the Forster recommendations. The union has now withdrawn its resolution to stop overtime because it found itself faced with a decision by the company to cut out certain shifts; in other words, when the European miner said that he was not prepared to work overtime, he was met with a statement by the company that in that case "we will not work this shift at all".

The position is difficult and there is sympathy for the European miners who fear that their high standards of living will be reduced. On the other hand, the companies have given definite undertakings that no European employed shall suffer through the advancement of Africans. As the copper-mining industry is developing fast, there is no doubt that the company can easily fulfil its promises; but the European miners are quite convinced that the advancement of Africans will be a blow to the maintenance of European standards.

On the other hand, there seems little doubt that, if Central Africa is to use the vast potential which certainly exists, it can do so only by making the very fullest use of all its people; and, as almost all its people are African, much more attention will have to be paid to their advancement.

In Southern Rhodesia the Government proposes to bring in legislation providing for the commencement of trade-union activities amongst the African workers. Over the past few years there has been a growing concern amongst thinking people in that territory regarding conditions of service for Africans. There has been a steady improvement in wages and in conditions generally, but the Government has given no recognition to African workers' organizations. A Bill was recently introduced into the Southern Rhodesian Parliament which provides for the recognition of African unions. This Bill has been referred to a Select Committee for consideration, in the hope that European trade unions may be found willing to assist African workers. It is no secret that the Government would prefer multi-racial—or non-racial—unions, but such a policy can only be pursued with the consent of both races.

Rhodesia,

November 1954.

NORTHERN IRELAND

ON October 17, for the second time this year, members of the illegal Irish Republican Army carried out a raid on a British Army barracks in Northern Ireland. The first incident had occurred in daylight at the Royal Irish Fusiliers depot in Armagh City; there were no casualties, and the raiders made a successful escape with a quantity of small arms valued at £5,000. The later incident took place in the early hours of morning at Omagh, County Tyrone, where the depot of the Royal Inniskilling Fusiliers is situated. On this occasion a sentry gave the alarm and, following an exchange of shots, the raiders were repulsed.

Five soldiers were wounded, two of them seriously, and it is believed that at least two of the I.R.A. were also wounded. The Royal Ulster Constabulary, with the aid of the Special Constabulary, set up road blocks in the hope of cutting off the raiders' escape routes. Some twenty raiders are believed to have been involved, and it was expected that they would attempt to cross the border into the Irish Republic, whence they had presumably come. Eight men, all domiciled in the Irish Republic, were subsequently arrested and charged with attempted murder.

The unfortunate significance of the Omagh raid is that it is no longer possible to look on its Armagh predecessor as an isolated incident. After a period of comparative peacefulness the shadow of the gunman once more falls across the Irish political scene. Where one might have hoped for an increasing spirit of reasonableness, it is evident that there is growing up a new generation of Nationalists, some of whom are prepared to resort to violence in pursuit of their objective, a united Ireland—despite the fact that such raids can have only an irritant effect, and that they unquestionably strengthen the resistance of Northern Unionists to the concept of a united Ireland. What is more, armed ingressions from the south of Ireland inevitably worsen relations between Unionists and Nationalists in the north, although clearly only a small and to some extent localized minority favours provocative acts.

It should be noted at this point that, six days before the Omagh incident, a time-bomb exploded in the grounds of the residence of Lieutenant-General Sir John Woodall, G.O.C. Northern Ireland District. This may have been designed as a demonstration of protest on the occasion of the Duchess of Gloucester's visit to Northern Ireland, which began the same day. There were no casualties.

News of the explosion had not been made public when, five days before Omagh, an important debate was begun in the Northern Irish House of Commons. There was, however, ample evidence of worsening relations between Nationalists and Unionists. A Nationalist motion was moved in these terms:

That in view of the grave threat to the fundamental rights of peaceful assembly for the expression of the views of the great majority of the people in particular

areas, as shown by the attempted suppression of public meetings and demonstrations in Derry City, Enniskillen, Armagh, Pomeroy, Newtownbutler and Newry—and by the employment of an armed police force to ensure the denial of those rights—this House views with unqualified anxiety the marked tendency of the Government to abandon its functions in face of the intolerant clamour of its own extremists desirous of extinguishing all rights of the minority in this area loyal to the Irish nation.

In reply, the Minister of Home Affairs, Mr. G. B. Hanna, emphasized that in no case had there been police action until a breach of the peace had occurred or had become imminent. There was no police interference with speakers or spectators during the meetings referred to in the motion. In each case the display of the Eire Tricolour was a source of trouble, and police interference was the consequence of acts committed by the extreme anti-Partition sections of the crowds. On each occasion, Mr. Hanna claimed, the police showed considerable forbearance. They used no weapons other than batons.

The Pomeroy incident deserves to be examined in some detail. Soon after the general election of October 1953 a newly elected Member of Parliament, Mr. William Kelly, was convicted on two charges of sedition arising out of speeches delivered during the election campaign. Sentenced to twelve months' imprisonment, he earned remission for good conduct, and was released from prison on August 19. Nationalists quickly organized a demonstration to welcome Mr. Kelly home to the town of Pomeroy, County Tyrone. Extra police were brought in as a safety measure, and the County Inspector in Tyrone informed one of the organizers of the demonstration that the carrying of Tricolours would not be permitted.

A procession of some 10,000 persons subsequently formed, and began to march through the town. The County Inspector asked that the Tricolour be taken down. The procession surged forward, with the intention of breaking through a police cordon which was containing demonstrators. The police charged with batons drawn, and a period of hand-to-hand fighting ensued before the crowd was dispersed. After the disturbance, 225 wooden clubs were collected, as well as car-springs, bars and bottles. A number of men were subsequently charged with riotous and unlawful assembly, and there were some convictions.

Incidents of this kind clearly worsen relations between Unionists and Nationalists, and a strong body of Unionist opinion is taking the view that the Government has been too tolerant of the minority. The Government has generally held that the preservation of peace is the primary goal, and that it would be unwise to deny Nationalists outlets for their emotions. It is true, however, that the local rules governing peaceful coexistence in "mixed" areas have not proved entirely successful of late. Consequent Nationalist militancy has led the more extreme Unionists to charge the Government with "appeasement".

A partial reply to this charge was the Flags and Emblems (Display) Act, which was passed earlier this year. Its purpose was to protect the flying of the Union Jack, and to give police officers the right to remove other emblems

where a breach of the peace seemed likely. The assumption was that the Eire Tricolour could still be flown in wholly Nationalist areas. Now, however, there is an indication of a hardening of attitudes. During the above-mentioned debate Mr. Hanna referred to claims that "every time the Tricolour is flown, it is a victory for the anti-Partition cause and a proof of the sovereignty of the Dublin Parliament in Northern Ireland", and declared:

I am beginning to feel that the flying of the Tricolour in any Nationalist area may lead to a breach of the peace either there or somewhere else later on, and I should not be at all surprised if the police were driven to the same conclusion.

An absolute ban on the Tricolour would clearly be difficult if not impossible to enforce; certainly it would further embitter the political situation. Such embitterment would be especially unfortunate when relations between the two parts of Ireland have lately improved in some directions. In recent speeches two Southern politicians—Mr. Eamonn De Valera, the former Premier, and Mr. Liam Cosgrave, the Minister for External Affairs—have emphasized the value of co-operation between Ulster and Eire, and have decried acts of violence such as the Armagh and Omagh incidents. It should be noted, however, that the suggestion is less that these acts are inherently wrong than that they are unlikely to promote the end of Partition. Nor have Northern Nationalists condemned armed incursions from the south. Furthermore, the Eire Government has yet to take forceful action against the I.R.A., and to agree to extradition between the Republic and Northern Ireland.

Northern Ireland,
November 1954.

*The Editor regrets that the usual chronicle of
events in Great Britain had not reached him at
the date of going to press.*

PAKISTAN

A NOTE ON KASHMIR

PAKISTAN'S decision to refer the Kashmir question back to the Security Council brings to an end the infructuous negotiations with her neighbour India. Once again the talks have foundered on India's intransigence, and the White Paper issued by the Government of Pakistan, while announcing its reference to the Security Council, provides several convincing and irrefutable instances which clearly prove that in this particular case Pandit Nehru's heart governs his head.

The last attempt to solve this *impasse* between India and Pakistan under international auspices proved inconclusive when, early in 1953, Dr. Frank P. Graham presented his fifth report to the Security Council. It was clearly brought out in the report that a truce agreement was being impeded because of India's uncompromising attitude on the quantum of forces to be left behind on either side of the cease-fire line at the end of the period of demilitarization, preparatory to holding a free and impartial plebiscite to determine whether the people wished the State of Jammu and Kashmir to accede to Pakistan or remain with India.

The next phase of negotiations to find a solution of the dispute started with the Ali-Nehru meeting in London in June 1953, and these were followed with more detailed negotiations in Karachi between the two a month later. Considerable expectations were roused in Pakistan and the apparent cordiality of the negotiations created the most sanguine hopes among the people. But, with subsequent happenings in Indian-occupied Kashmir, culminating in the dismissal and arrest of Sheikh Abdullah, there was bitter disillusion and the view gained firm ground that India used these negotiations as a cover for her moves in the State. Added strength was lent to it when wholly unexpected differences arose over the Plebiscite Administrator. Ultimately, as the people feared, the talks became bogged in details and controversies till they were finally called off.

In matters where one's country is involved in a dispute with another, one's impartiality may be taken at a discount. But let facts speak for themselves. One glaring instance is that while India has always pretended that she would abide by the wishes of the people to determine their future, she has constantly gone ahead in taking steps which have resulted in complete integration of Kashmir with India. The latest attempt in this direction is the extension of Indian taxation laws to the State. Responsible State leaders, including Bakhshi Ghulam Mohammad, the Chief Minister of the State, have repeatedly said that Kashmir is now irrevocably a part of India. Under such conditions it is difficult to resist the conclusion that India's professions do not represent her intentions.

The Kashmir dispute has been the biggest stumbling-block in friendly relations between the two neighbours and is a grave threat to peace in this

part of the world. Pakistan's reference of the dispute to the Security Council has been received with mixed hopes. The attitude of this body on the Kashmir issue has never been encouraging. Will it now become alive to its responsibilities? Feelings in Pakistan are still to hope for the best and be prepared for the worst.

Pakistan,

November 1954.

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